

Douglas, Dave (MGS)

From: MacLennan, Craig (ENERGY)
Sent: July-16-12 11:27 PM
To: Miller, Laura (OPO)
Subject: Re: suggested note to all gallery

I'm just checking w the DM....but he's not picking up the phone. I don't recall it.

There was a lot kept from us in the negotiations/seperate files but I'm trying to figure out if this was one of the things.

From: Miller, Laura (OPO)
To: MacLennan, Craig (ENERGY)
Sent: Mon Jul 16 23:16:35 2012
Subject: Fw: suggested note to all gallery

From: Kett, Jennifer (ENERGY)
To: Miller, Laura (OPO)
Sent: Mon Jul 16 23:15:56 2012
Subject: Re: suggested note to all gallery

I think some in our ministry knew they expedited the settlement. Not sure if anyone knew they'd advanced it or any of those details.

CM could say for sure

Sent using BlackBerry

From: Miller, Laura (OPO)
To: Kett, Jennifer (ENERGY)
Sent: Mon Jul 16 23:01:56 2012
Subject: Re: suggested note to all gallery

Q: on the 10m. Would OPA have done that w/o informing your office or ministry?

From: Kett, Jennifer (ENERGY)
To: Barton, Neala (OPO); Brodhead, John (OPO); McCann, Wendy (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Sent: Mon Jul 16 14:35:42 2012
Subject: suggested note to all gallery

Hello all,

Here is the note I propose sending to the gallery. I have not yet responded to Benzie's questions as our legal has advised as it is commercial sensitive information and requires permission from Greenfield. We are working to get that asap and also better understand what happens if we put the info out anyway (considering the Star has most contract details).

Please let me know if you have any concerns with the note or with the approach.

Thanks,

Jen

Dear Gallery,

I've included more information on considerations that went in to the negotiation of the long term power purchase agreement with Greenfield South:

- Total costs estimate for relocation of the project are \$180 million.
- That includes costs that cannot be repurposed at the new site, early termination settlement to EIG and additional Mississauga site specific costs

Details on the Net Revenue Requirement

- The Net Revenue Requirement (the monthly payment used to cover fixed costs to build and operate the plant) is \$12,400 MW/Month.
- This is lower than the original Greenfield South NRR of \$12,900 MW/Month as per the November 2009 contract.
- Included in the NRR calculation is a \$45 million refundable upfront payment from the OPA to Greenfield South to provide cash flow assistance during the development and construction period. It is repayable over 13 years once the plant begins commercial operation in 2017. The forgone interest on the refundable upfront payment helped to reduce the NRR.
- Other factors that explain the reduction in the NRR including the repurposing of gas turbines, steam condenser, the step-up transformer (\$75.5 million), and engineering/design work (\$10 million).

Capital Cost of Plant

- Greenfield is responsible for the plant capital costs
- A plant of this type would typically cost around \$1.2 million per MW, which would total approximately \$360 million. Greenfield is solely responsible for project costs and there is no risk to ratepayers should the company experience cost overruns.
- The average benchmark NRR for Ontario's gas fleet is \$13,187 MW/Month.
- Older plants that resulted from a competitive process typically are under \$10,000 MW/Month. Newer plants that were negotiated and procured in a time of shortage tend to be over \$15,000 MW/Month.
- The ratepayer pays no pre-determined rate of return for Greenfield South. It is up to the proponent to configure the project as they see fit and the rate of return is dependent on whatever their costs are to develop the project and operate the plant.

Additional Information

- There is no agreement for full government financial backing for the new plant. Our expectation is that Greenfield will be able to secure full financing for development of its plant on its own. Should Greenfield require assistance in this regard, the government is prepared to consider Greenfield's request, but again there is no agreement for full financing.
- Minister announced the recommended site on OPG's Lambton site. OPG has executed a purchase and sale agreement with Greenfield South Power Corporation on July 9th. Before the purchase is finalized, a final purchase price will be based on three independent appraisals of the property. The first will be done by Greenfield, OPG will do the 2nd and the parties will agree together on the 3rd appraiser. A local appraisal provided an initial land valuation of \$500,000.
- There is no reason to believe that an alternate site would be required. However, it is possible that for reasons outside anyone's control (i.e. environmental contamination), Greenfield could be unable to develop at that site.

As such the agreement contemplates the possibility of other sites in St. Clair Township. We are confident the plant will be developed at the OPG Lambton site.

Keele Valley Issue

- To focus on the relocation of the gas plant, the OPA expedited the timeline on resolving that outstanding issue between the OEFC and Eastern Power.
- The issue related to the Keele Valley NUG contract (landfill gas facility) between OEFC and Eastern Power, a dispute that has been outstanding for approximately 13 years. While not a party in that dispute, OPA felt that expediting resolution of that dispute was a good mechanism since OPA will inherit the NUG contracts from OEFC as they come up for renewal.
- OPA agreed to advance \$10m to Eastern as a result, with the provision that **\$4.6m would be refunded to OPA once the issue was settled**. For the remaining \$5.4m, if a contract for Keele Valley was renegotiated, **OPA would be credited for amounts owing under the new contract**, the terms of which were to be negotiated.
- In summary, while a simultaneous consideration, the NUG payment was with respect to resolving a separate electricity contract dispute. As a result, it is the OPA's view that the \$5.4m is not a relocation cost.

Douglas, Dave (MGS)

From: Kett, Jennifer (ENERGY)
Sent: July-16-12 11:26 PM
To: Miller, Laura (OPO)
Subject: Re: media backgrounder

Hard to breakdown that way-

180 was 'sunk' costs we couldn't get back or repurpose at new site

88m was settlement to EIG, 61m was repayment of loan but was used to buy things that went into 'sunk' cost category and repurposed equipment/design work category.

No \$ of the 180 went to Greenfield exactly- we bought the equipment etc that's on the bottom part of the backgrounder.

Hope the makes some sense. Let me know if it would be more helpful to explain on the a call.

Sent using BlackBerry

From: Miller, Laura (OPO)
To: Kett, Jennifer (ENERGY)
Cc: MacLennan, Craig (ENERGY)
Sent: Mon Jul 16 23:05:10 2012
Subject: Re: media backgrounder

So 10m to Eastern
140m est to EIG
Remainder to Greenfield?
(Ballpark I know).

From: Kett, Jennifer (ENERGY)
To: Miller, Laura (OPO)
Cc: MacLennan, Craig (ENERGY)
Sent: Mon Jul 16 22:48:22 2012
Subject: Fw: media backgrounder

Here's the backgrounder that went to media last Tuesday.

Sent using BlackBerry

From: Kett, Jennifer (ENERGY)
To: Dunn, Ryan (ENERGY) (Ryan.Dunn@ontario.ca); Forgione, Andrew (ENERGY)
Sent: Wed Jul 11 10:41:57 2012
Subject: media backgrounder

Douglas, Dave (MGS)

From: Kett, Jennifer (ENERGY)
Sent: July-16-12 11:21 PM
To: Miller, Laura (OPO)
Cc: MacLennan, Craig (ENERGY)
Subject: Re: Next Q

Will we have enough electricity in the GTA now that the plant is relocated?

The latest IESO 18-Month Outlook published in June 2012 indicates that the IESO is able to manage the system to meet current needs of the Southwest GTA. The Report states, "the province is expected to have an adequate supply of electricity to handle the increased demand resulting from air conditioning use over the summer, even under hotter than normal weather conditions." The full report can be found here, on the IESO website:
http://www.ieso.ca/imoweb/pubs/marketReports/18MonthOutlook_2012jun.pdf.

Study efforts are underway between the OPA, the IESO and Hydro One to develop solutions to address long-term transmission and supply adequacy in south-western GTA. A transmission system solution will be required to accommodate future load growth net of conservation.

Sent using BlackBerry

----- Original Message -----

From: Miller, Laura (OPO)
To: Kett, Jennifer (ENERGY); MacLennan, Craig (ENERGY)
Sent: Mon Jul 16 23:14:54 2012
Subject: Next Q

Does the community still require more power? And if so, what are we going to do to meet that demand?

Douglas, Dave (MGS)

From: Kett, Jennifer (ENERGY)
Sent: July-16-12 10:48 PM
To: Miller, Laura (OPO)
Cc: MacLennan, Craig (ENERGY)
Subject: Fw: media backgrounder
Attachments: Backgrounder-media2.docx

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Sent using BlackBerry

From: Kett, Jennifer (ENERGY)
To: Dunn, Ryan (ENERGY) (Ryan.Dunn@ontario.ca); Forgione, Andrew (ENERGY)
Sent: Wed Jul 11 10:41:57 2012
Subject: media backgrounder

Backgrounder — Costs of Relocation of the Mississauga Gas Plant

COST OF RELOCATING THE PLANT

The total cost of relocating the Mississauga Gas Plant is approximately \$180 million.

Those costs fall into three main categories:

1. Mississauga site specific costs for goods and services that cannot be reused at the new location (\$85 million). These costs include:
 - Permitting
 - Engineering and Design Work
 - Construction Materials
 - Labour
 - Equipment Storage
 - Transportation
2. Early termination settlement to EIG, the financier of the Greenfield South Project (\$88 million*)
3. Additional Mississauga site specific costs (approximately \$7 million)

MINIMIZING THE IMPACTS

At the same time, the government was able to minimize the cost impacts by repurposing \$85.5 million in equipment and work for use at a new facility.

1. Gas plant equipment (\$75.5 million).
 - Gas turbines
 - Steam Condenser
 - Step-up Transformer
2. Engineering and design work that includes the plant engineering and architecture (\$10 million)

** \$61 million was repaid to EIG in loan principal. The \$61 million payment is already reflected in the dollar figures outlined above because some of the \$61 million was spent on materials and equipment that can be repurposed, while some of it was spent on materials that cannot be reused*

Douglas, Dave (MGS)

From: DJPM <DJPM@liberal.ola.org>
Sent: July-16-12 10:25 PM
To: Miller, Laura (OPO); Brodhead, John (OPO)
Cc: Barton, Neala (OPO)
Subject: RE: Re:

What's the difference between Greenfields referenced by the media in scrumming DD and Eastern power? With whom did we contract?

From: Miller, Laura (OPO) [<mailto:Laura.Miller@ontario.ca>]
Sent: July-16-12 10:15 PM
To: DJPM; Brodhead, John (OPO)
Cc: Barton, Neala
Subject: Re:

Eastern Power contributed to OLP and PCPO.

From: DJPM <DJPM@liberal.ola.org>
To: Brodhead, John (OPO)
Cc: Miller, Laura (OPO)
Sent: Mon Jul 16 22:10:31 2012
Subject:

Oh, and did that company contribute to the PC's as well as to OLP? Thx.

Douglas, Dave (MGS)

From: DJPM <DJPM@liberal.ola.org>
Sent: July-16-12 10:10 PM
To: Brodhead, John (OPO)
Cc: Miller, Laura (OPO)

Not clear on the sudden appearance of an extra \$10M cost for the gas plant shutdown. Can you guys enlighten me?

Also, who is getting the \$190M? (Name of company)

Is the settlement money solely to pay them for getting out of the deal (including reimbursing them for sunk costs)?

Have we committed to having them build another plant for us at another location? Or have we now terminated our obligations owed to this company under this contract?

Thx.

Douglas, Dave (MGS)

From: Korbee, Leon (OPO)
Sent: July-16-12 9:01 PM
To: Miller, Laura (OPO)
Subject: Fw: Transcripts: Gas plant coverage (Globa, CFTO, City, CHCH and CFPL)

Will be an interesting scrum tomorrow....

From: Snyder, Trevor (CAB)
To: @CAB-Trans CO; @CAB-Trans PO
Sent: Mon Jul 16 19:57:40 2012
Subject: Transcripts: Gas plant coverage (Globa, CFTO, City, CHCH and CFPL)

**As requested by Neala Barton

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- 1) Global - Gas plant: Moving plant will cost taxpayers \$190 million
- 2) CFTO - Gas Plant: Finance Minister confirms costs total will be \$190 million
- 3) City - Gas Plant: Moving Mississauga power plant will cost \$190 million
- 4) CHCH - Gas Plant: Finance Minister confirms it was McGuinty who made decision to move plant
- 5) CFPL - Gas Plant: Ontario taxpayers will foot the \$180 million bill for move of plant

**

1) Global - Gas plant: Moving plant will cost taxpayers \$190 million
Source: Global
Jul 16, 2012 6:15 PM (18)

>> Anchor: Well the relocation of a power plant from Mississauga has left Ontario taxpayers with a huge bill. Our Finance Minister confirming now we are paying tens of millions of dollars to move the plant. We're live next to our Queen's Park correspondent, Alan Carter. Yet another spending scandal for the McGuinty Liberals, Alan.

>> Reporter: Leslie, not only that; some mixed messages coming from the Liberal government tonight. The Finance Minister saying that it was Dalton McGuinty who made the decision to cancel the Mississauga power plant. But last week the Minister of Energy, Chris Bentley, said that that decision had been made by the election campaign team. And now there are fresh questions about what the final cost will be to relocate that plant from Mississauga to Sarnia.

>> Reporter: Dubbed the seat savor special, the cost of canceling the Mississauga power plant in the middle of last fall's provincial election will be picked up by you, the taxpayer.

>> Dwight Duncan, Minister of Finance: Just to be clear, it will be borne on the tax base, not on the rate base.

>> Reporter: Which means taxpayers, not energy consumers, will pay for a political decision that helped the Liberals retain important seats. How much will it cost? Here's what the Minister of Energy said when making the announcement.

>> Chris Bentley, Minister of Energy: The bottom line cost of relocating the Mississauga gas plant to Lambton is \$180 million.

>> Reporter: And here's what the Minister of Finance is saying now.

>> Minister Duncan: The numbers I've seen are the \$180 and that ten million additional, which would total 190.

>> Reporter: The extra ten million was paid to the developer of Mississauga power plant as an act of good faith to convince it to stop building the plant; not part of the relocation cost, says the government. The leader of the opposition has a different take on it.

>> Tim Hudak, PC leader: This sounds like a ten million dollars hush money contribution to the company.

>> Reporter: The NDP are calling for the Auditor-General to investigate.

>> Jagmeet Singh, NDP MPP: If we're getting two different answers, that is exactly our problem. We don't know what the figures are and the taxpayers should know what this is actually going to cost Ontarians.

>> Minister Duncan: There are absolutely no other costs that I'm aware of and I think that's the total tab.

>> Reporter: Unlike the eHealth and ORNGE scandals, which the Liberals blamed on greedy consultants and operatives, the decision to build and then to cancel the Mississauga plant lies entirely with the government — a decision that you, the taxpayer, are about to get the bill for. Now, of course, this isn't the only power plant problem that the Liberals have. They cancelled the Oakville power plant in October of 2010. How much that will cost is not known yet. According to the Ministry of Energy, negotiations are still on going. Leslie?

>> Anchor: More to come. Thanks.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

2) CFTO - Gas Plant: Finance Minister confirms costs total will be \$190 million

Source: CFTO

Jul 16, 2012 6:10 PM (5)

>> Anchor - Ken: The temperature is certainly rising inside Queen's Park.

>>Anchor - Michelle: And once again, it's over the Liberal government's controversial decision to cancel a gas power plant in Mississauga last fall, a decision that will cost taxpayers millions of dollars. John Musselman is standing by live at Queen's Park with more.

>> Reporter: Hi, Michelle, yes, we are learning the cost to cancel that plant could be an additional \$10 million, putting the new figure at about \$190 million. Work to dismantle that plant is under way. The McGuinty government approved it and then killed it during the election campaign when residents complained about it. Today, Finance Minister Dwight Duncan confirmed the final decision to kill the plant was made by Premier Dalton McGuinty. He also confirmed the Ontario Power Authority paid the developers an additional \$10 million as a gesture of good faith. Now opposition parties are now calling on the Auditor General to take a look at this. Here's what Dwight Duncan and Ontario PC Leader Tim Hudak had to say today.

>> Finance Minister Dwight Duncan: What was important here is that there was a series of negotiations that were undertaken that allowed us to move forward and keep the commitment we made during the election to move the plant. It's an undertaking we made to the people in Mississauga and Etobicoke.

>> PC Leader Tim Hudak It was disturbing that the Energy Minister couldn't answer or is unwilling to answer very basic, simple questions. The problem is we have turned energy from a major strength for attracting jobs to our province into a major detriment.

>> Reporter: And Duncan went on to say that Ontario taxpayers, not hydro ratepayers, will be on the hook for this. The plant is now moving to the Sarnia-Lambton area. I'm John Musselman. Back to you.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

3) City - Gas Plant: Moving Mississauga power plant will cost \$190 million
Source: City
Jul 16, 2012 6:20 PM (8)

>> Gord: The cost of closing that gas-fired power plant in Mississauga is now up to \$190 million. And you are going to pay for it.

>> Dwight Duncan, Minister of Finance: The communities of Mississauga and Etobicoke did not want this plant. They expressed that quite vocally. All three parties made an undertaking to move the plant or to not proceed with that plant. And we did so.

>> Gord: The Liberals announced their plan to stop construction on the plant just before last fall's election. But construction continued after the election. Duncan says the Ontario Power Authority paid the plant developer \$10 million as a sign of good faith to halt that construction. In the meantime, opposition leader Tim Hudak believes we've only seen the tip of the iceberg as far as the cost goes. A power plant in Oakville was canceled in 2010. The government is still negotiating with the developer on that project.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

4) CHCH - Gas Plant: Finance Minister confirms it was McGuinty who made decision to move plant

Source: CHCH

Jul 16, 2012 6: 12 PM (9)

>>Anchor: Well, the Queen's Park now where the NDP Wants the auditor general to look into the cost of the Liberal government's decision to cancel the gas power plant being built in Mississauga during last fall's election campaign. Last week Energy Minister Chris Bentley said the decision would cost \$180 million, however, the NDP Say the cancellation may be significantly more expensive, including an extra \$10 million to stop construction.

>>Dwight Duncan, Ontario Minister of Finance: My understanding is -- I'll ask my officials to give you little bit more detail. \$10 Million wasn't specifically with respect to relocation. It was done through the Ontario power authority and it was about -- about assisting in that process. But I'll have my officials give you more detail on that.

>>Unnamed media man: \$180 million is Being borne on a tax base, but that \$10 million surely from the O.P.A will come on repairs?

>> Dwight Duncan, Ontario Minister of Finance: 180 Right now what we're looking at on the tax base of \$10 million, there has been no resolution.

>>Jagmeet Singh, NDP MPP: The issue is we've got two Ministers giving us two different prices or values in two different days. It's troubling, that's why we've calling for an independent person to give us a true assessment of the costs. We heard, you know, figures up around half a billion at some point in terms of lawsuits, what are the lawsuits, what other costs, more costs in the coming days?

>> Nick: Now, Finance Minister Dwight Duncan says the decision to scrap the plant just before last fall's election day was made by Premier Dalton McGuinty. So far McGuinty hasn't been available publicly to comment on the cost of cancelling the project.

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5) CFPL - Gas Plant: Ontario taxpayers will foot the \$180 million bill for move of plant

Source: CFPL

Jul 16, 2012 6: 08 pm (7)

>>Anchor: Ontario taxpayers are going to have the foot the \$180 million bill for Liberal's decision to cancel a gas power plant in Mississauga and move it instead to Lambton county. The decision to relocate the plant to the site of a former Lambton generating station near Sarnia was announced earlier this month. It will create upwards of 300 jobs in Lambton county. Today the Finance Minister, Dwight Duncan, says the actual decision to scrap the plant was made just before last fall's provincial election by Premier McGuinty. Duncan also said the Ontario Power Authority paid Green Field(?) the developers of the plant, another \$10 million as a sign of good faith while trying to persuade it to halt construction in Mississauga.

>>Dwight Duncan, Finance Minister: The communities in Mississauga and Etobicoke did not want this plant. They expressed that quite vocally. All three parties made an undertaking to move the plant or not proceed with that plant.

And we did so. And what's important is that we are still producing the new power in an area where the jobs would be welcome I'm given to understand.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

Douglas, Dave (MGS)

From: Barton, Neala (OPO)
Sent: July-16-12 8:52 PM
To: Miller, Laura (OPO)
Subject: Re: Transcripts: Gas plant coverage (Globa, CFTO, City, CHCH and CFPL)

It got muddled on TV -- no clarity about the fact that the \$10 mil wasn't a bonus/incentive.....but to solve a different dispute.

Otherwise, the "taxpayers are footing the bill" piece got lots of attention.

In short, we didn't win this one.....

From: Miller, Laura (OPO)
To: Barton, Neala (OPO)
Sent: Mon Jul 16 20:03:10 2012
Subject: Fw: Transcripts: Gas plant coverage (Globa, CFTO, City, CHCH and CFPL)

Well.
What do you think?

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To: @CAB-Trans CO; @CAB-Trans PO
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Source: CFPL

Jul 16, 2012 6: 08 pm (7)

>>Anchor: Ontario taxpayers are going to have to foot the \$180 million bill for Liberal's decision to cancel a gas power plant in Mississauga and move it instead to Lambton county. The decision to relocate the plant to the site of a former Lambton generating station near Sarnia was announced earlier this month. It will create upwards of 300 jobs in Lambton county. Today the Finance Minister, Dwight Duncan, says the actual decision to scrap the plant was made just before last fall's provincial election by Premier McGuinty. Duncan also said the Ontario Power Authority paid Green Field(?) the developers of the plant, another \$10 million as a sign of good faith while trying to persuade it to halt construction in Mississauga.

>>Dwight Duncan, Finance Minister: The communities in Mississauga and Etobicoke did not want this plant. They expressed that quite vocally. All three parties made an undertaking to move the plant or not proceed with that plant. And we did so. And what's important is that we are still producing the new power in an area where the jobs would be welcome I'm given to understand.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

Douglas, Dave (MGS)

From: Brodhead, John (OPO)
Sent: July-16-12 5:10 PM
To: Miller, Laura (OPO); McNeill, Darcy (FIN)
Subject: RE: Gas plant background information

Yep – except the typo at the front end.

From: Miller, Laura (OPO)
Sent: July 16, 2012 4:50 PM
To: McNeill, Darcy (FIN); Brodhead, John (OPO)
Subject: RE: Gas plant background information

If you are comfortable, I am comfortable.

From: McNeill, Darcy (FIN)
Sent: July-16-12 4:47 PM
To: Brodhead, John (OPO); Miller, Laura (OPO)
Subject: FW: Gas plant background information

See below - and reference to you JB. This all OK with you? We're getting hammered on these #s coming out in dribs and drabs but since KV not settled yet we can't give that whole number. Need an A asap pls. Thx

From: McNeill, Darcy (FIN)
Sent: July 16, 2012 4:46 PM
To: Kett, Jennifer (ENERGY); Vitunski, Aly (FIN); Barton, Neala (OPO)
Subject: RE: Gas plant background information

As is always the case with your fun files, I get a deluge of complicated facts thrown at me in a very short period of time. I see the problem here being we have a payment related to 2 issues - Mississauga and KV - but we can only talk about one. But JJ had references from the OPA to KV already so that door is open. So to try and add a little clarity, we've made a specific reference to the 2nd issue but demonstrated that it's not yet settled. Tim's asked me to include Brodhead on this so I'm going to send him the below as well...wanted to give you a heads up. I still don't have final signoff from ministry on this yet so bear with us...in touch soon. Best,

d

As the Finance Minister said today the cost of relocation is \$180 million and there was an additional payment from the OPA of \$10 million to Eastern Power.

The are two outstanding issues - the Mississauga Gas Plant and Keele Valley - with Eastern Power. The OPA advanced \$10m to Eastern related to Keele Valley, with the provision that \$4.6m would be refunded to OPA once both outstanding issues are settled. The remaining \$5.4m was to be repaid to the OPA if a contract for Keele Valley was renegotiated within 120 days. It was not. To date, the total payment related to Eastern Power and others is \$190m (b.cc the \$4.6m has not yet been recouped.)

From: Kett, Jennifer (ENERGY)
Sent: July 16, 2012 4:08 PM
To: Vitunski, Aly (FIN); Barton, Neala (OPO); McNeill, Darcy (FIN)
Subject: FW: Gas plant background information

Here's what I propose to say:

As the Finance Minister said today the cost of relocation is \$180 million and there was an additional payment of \$10 million to Eastern Power.

As I mentioned in my note, to focus on the relocation of the gas plant, the OPA expedited the timeline on resolving an outstanding issue between the OEFC and Eastern Power. The issue related to the Keele Valley NUG contract between OEFC and Eastern Power. The OPA agreed to advance \$10m to Eastern related to that outstanding issue, with the provision that \$4.6m would be refunded to OPA once the issue was settled. The remaining \$5.4m was to be repaid immediately if a contract for Keele Valley was renegotiated within 120 days. It was not. The OPA's expectation is that this amount will be credited against amounts owing under any new contract, the terms of which are to be negotiated

From: Benzie, Robert [<mailto:RBenzie@thestar.ca>]
Sent: July-16-12 3:52 PM
To: Kett, Jennifer (ENERGY)
Cc: Ferguson, Rob
Subject: RE: Gas plant background information

Hi Jen:

We're a bit confused.

Dwight Duncan said today the total is \$190M. (\$180M plus the \$10M advanced to Eastern.)

But this suggests:

"OPA agreed to advance \$10m to Eastern as a result, with the provision that \$4.6m would be refunded to OPA once the issue was settled. The remaining \$5.4m was to be repaid immediately if a contract for Keele Valley was renegotiated within 120 days. It was not. The OPA's expectation is that this amount will be credited against amounts owing under any new contract, the terms of which are to be negotiated."

So is the finance minister incorrect?

Best,
Benzie

From: Kett, Jennifer (ENERGY) [<mailto:Jennifer.Kett@ontario.ca>]
Sent: July 16, 2012 3:48 PM
To: jennifer.kett@ontario.ca
Subject: Gas plant background information

Dear Gallery,

I've included some background information you may find helpful on considerations that went in to the negotiation of the long term power purchase agreement (NRR) with Greenfield South:

- Total costs for relocating the plant is approximately \$180 million.
- That includes costs that cannot be repurposed at the new site, early termination settlement to EIG and additional Mississauga site specific costs

Details on the Net Revenue Requirement

- The Net Revenue Requirement (the monthly payment used to cover costs to build the plant and the cost to operate the plant) is \$12,400 MW/Month.
- This is lower than the original Greenfield South NRR of \$12,900 MW/Month as per the November 2009 contract.
- Included in the NRR calculation is a \$45 million **refundable** upfront payment from the OPA to Greenfield South to provide cash flow assistance during the development and construction period. It is repayable over 13 years once the plant begins commercial operation in 2017. The forgone interest on the refundable upfront payment helped to reduce the NRR.
- Other factors that explain the reduction in the NRR include the repurposing of gas turbines, steam condenser, the step-up transformer (\$75.5 million), and engineering/design work (\$10 million).

Capital Cost of Plant

- Greenfield is responsible for the plant capital costs.
- A plant of this type would typically cost around \$1.2 million per MW, which would total approximately \$360 million. Greenfield is solely responsible for project costs and there is no risk to ratepayers should the company experience cost overruns.
- The average benchmark NRR for Ontario's gas fleet is \$13,187 MW/Month.
- Older plants that resulted from a competitive process typically are under \$10,000 MW/Month. Newer plants that were negotiated and procured in a time of shortage tend to be over \$15,000 MW/Month.
- The ratepayer pays no pre-determined rate of return for Greenfield South. It is up to the proponent to configure the project as they see fit and the rate of return is dependent on whatever their costs are to develop the project and operate the plant.

Additional Information

- There is no agreement for full government financial backing for the new plant. Our expectation is that Greenfield will be able to secure full financing for development of its plant on its own. Should Greenfield require assistance in this regard, the government is prepared to consider Greenfield's request, but again there is no agreement for full financing.
- As the Minister announced the recommended site is on OPG's Lambton site. OPG has executed a purchase and sale agreement with Greenfield South Power Corporation on July 9th. Before the purchase is finalized, a final purchase price will be based on three independent appraisals of the property. The first will be done by Greenfield, OPG will do the 2nd and the parties will agree together on the 3rd appraiser. A local appraisal provided an initial land valuation of about \$500,000. The land will be purchased by Greenfield, with the final price paid to OPG.
- There is no reason to believe that an alternate site would be required. However, it is possible that for reasons outside anyone's control (i.e. environmental contamination), Greenfield could be unable to

develop at that site. As such the agreement contemplates the possibility of other sites in St. Clair Township. We are confident the plant will be developed at the OPG Lambton site.

Keele Valley Issue

- To focus on the relocation of the gas plant, the OPA expedited the timeline on resolving that outstanding issue between the OEFC and Eastern Power.
- The issue related to the Keele Valley NUG contract (landfill gas facility) between OEFC and Eastern Power, a dispute that has been outstanding for approximately 13 years. While not a party in that dispute, OPA felt that expediting resolution of that dispute was a good mechanism since OPA will inherit the NUG contracts from OEFC as they come up for renewal.
- OPA agreed to advance \$10m to Eastern as a result, with the provision that **\$4.6m would be refunded to OPA once the issue was settled**. The remaining \$5.4m was to be repaid immediately if a contract for Keele Valley was renegotiated within 120 days. It was not. The **OPA's expectation is that this amount will be credited against amounts owing under any new contract**, the terms of which are to be negotiated.
- In summary, while a simultaneous consideration, the NUG payment was with respect to resolving a separate electricity contract dispute. As a result, it is the OPA's view that the \$5.4m is not a relocation cost.

Douglas, Dave (MGS)

From: McLaughlin, David (OPO)
Sent: July-16-12 4:37 PM
To: Miller, Laura (OPO)
Cc: McCann, Wendy (OPO)
Subject: RE: mod-

Laura, do you want to review this before it goes out? Wendy has reviewed.

Controlling Compensation Costs

Ontario Liberals are committed to balancing the budget by 2017-18 as we protect progress made in health care and education. Today, Finance Minister Duncan sent a letter to public sector employers on controlling compensation costs — which accounts for more than half of all government spending. Here's what you need to know:

- We've directed public sector employers to negotiate collective agreements that have no increases in compensation — in wages, performance pay or benefits.
- Any movement through an established salary grid must be fully offset within the total compensation package.
- Agreements should not impose other long-term costs or restrict service delivery.
- We're encouraging public sector employers to reach agreements with bargaining agents — including those in hospitals, colleges and universities and in the energy sector — through respectful collective bargaining.
- If agreements fail to meet the parameters we've set out or if there are significant disruptions, the government will consider administrative and legislative measures.

The 2012 Budget extends the MPP pay freeze by a further two years, for a total of five. We've frozen pay for executives at Ontario's hospitals, colleges, universities, school boards and agencies until the deficit is eliminated.

Ontario Liberals are taking action to control public sector compensation because our economic and fiscal situation has changed in recent years. Responding to change is part of our responsibility as a government — and we're relocating the Greenfield South gas generating plant as part of that responsibility.

The people of Mississauga convinced us that the community had changed. It became much more residential — so placing a plant there no longer made sense. We have to have the ability as a government to change our mind to protect communities and to protect the gains we've made in health care and education.

The Hudak PCs would cut recklessly and put all we've built together at risk. The Horwath NDP have no plan to balance the budget. Only Ontario Liberals are taking strong action to grow Ontario's economy, balance the budget by 2017-18 and protect the gains we've made in health care and education.

What You Can Do

Tweet about our plan to protect health care and education while balancing the budget:

#olp directing public sector employers to negotiate collective agreements with no increases in compensation
#onpoli

Compensation accounts for over half of all gov't spending — #olp taking strong action to control costs #onpoli

Wendy McCann
Executive Director of Communications
Premier Dalton McGuinty's Office
416-325-6734

Douglas, Dave (MGS)

From: McCann, Wendy (OPO)
Sent: July-16-12 3:39 PM
To: Brodhead, John (OPO); MacLennan, Craig (ENERGY); Kett, Jennifer (ENERGY); Korbee, Leon (OPO); Miller, Laura (OPO); Barton, Neala (OPO)
Subject: RE: suggested note to all gallery

I agree. Better to be as transparent as possible.

From: Brodhead, John (OPO)
Sent: July-16-12 3:38 PM
To: MacLennan, Craig (ENERGY); Kett, Jennifer (ENERGY); Korbee, Leon (OPO); Miller, Laura (OPO); Brodhead, John (OPO); Barton, Neala (OPO); McCann, Wendy (OPO)
Subject: Re: suggested note to all gallery

Ok. Fine by me if comms folks are ok.

From: MacLennan, Craig (ENERGY)
To: Kett, Jennifer (ENERGY); Korbee, Leon (OPO); Miller, Laura (OPO); Brodhead, John (OPO); Barton, Neala (OPO); McCann, Wendy (OPO)
Sent: Mon Jul 16 15:37:29 2012
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Will reconsider the note if that's the preference

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Sent: July-16-12 3:14 PM
To: Kett, Jennifer (ENERGY); Barton, Neala (OPO); Brodhead, John (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Subject: RE: suggested note to all gallery

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Did the Net Revenue Requirement question get asked by someone? I wasn't aware that it was, and if it wasn't I think I would drop it. I don't like another figure (\$45 m) being introduced to the mix.

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We have verbal permission from GS to disclose the commercially sensitive info.

Please let me know if you'd like any changes to the note.

Thanks,
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Sent using BlackBerry

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From: McCann, Wendy (OPO)
Sent: July-16-12 3:14 PM

To: Kett, Jennifer (ENERGY); Barton, Neala (OPO); Brodhead, John (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Subject: RE: suggested note to all gallery

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Sent: July-16-12 2:49 PM
To: Barton, Neala (OPO); Brodhead, John (OPO); McCann, Wendy (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Subject: Re: suggested note to all gallery

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Sent using BlackBerry

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To: Barton, Neala (OPO); Brodhead, John (OPO) (John.Brodhead@ontario.ca); McCann, Wendy (OPO) (Wendy.McCann@ontario.ca) <Wendy.McCann@ontario.ca>; Korbee, Leon (OPO) (Leon.Korbee@ontario.ca); Miller, Laura (OPO)
Sent: Mon Jul 16 14:35:42 2012
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- Total costs estimate for relocation of the project are \$180 million.
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- Included in the NRR calculation is a \$45 million refundable upfront payment from the OPA to Greenfield South to provide cash flow assistance during the development and construction period. It is repayable over 13 years once the plant begins commercial operation in 2017. The forgone interest on the refundable upfront payment helped to reduce the NRR.
- Other factors that explain the reduction in the NRR including the repurposing of gas turbines, steam condenser, the step-up transformer (\$75.5 million), and engineering/design work (\$10 million).

Capital Cost of Plant

- Greenfield is responsible for the plant capital costs
- A plant of this type would typically cost around \$1.2 million per MW, which would total approximately \$360 million. Greenfield is solely responsible for project costs and there is no risk to ratepayers should the company experience cost overruns.
- The average benchmark NRR for Ontario's gas fleet is \$13,187 MW/Month.
- Older plants that resulted from a competitive process typically are under \$10,000 MW/Month. Newer plants that were negotiated and procured in a time of shortage tend to be over \$15,000 MW/Month.
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Additional Information

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- To focus on the relocation of the gas plant, the OPA expedited the timeline on resolving that outstanding issue between the OEFC and Eastern Power.
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Douglas, Dave (MGS)

From: Kett, Jennifer (ENERGY)
Sent: July-16-12 3:33 PM
To: Brodhead, John (OPO); McCann, Wendy (OPO); Barton, Neala (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Subject: RE: suggested note to all gallery

Since Benzie has the contract details I wanted to get out all the pieces at once, gallery wide. Minister is very interested in doing that as well.

Will reconsider the note if that's the preference

From: Brodhead, John (OPO)
Sent: July-16-12 3:28 PM
To: Kett, Jennifer (ENERGY); McCann, Wendy (OPO); Barton, Neala (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Subject: Re: suggested note to all gallery

Are we trying to clarify more than the 10M?

Just wondering if we should focus on that piece.

From: Kett, Jennifer (ENERGY)
To: McCann, Wendy (OPO); Barton, Neala (OPO); Brodhead, John (OPO); Korbee, Leon (OPO); Miller, Laura (OPO)
Sent: Mon Jul 16 15:26:53 2012
Subject: RE: suggested note to all gallery

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Douglas, Dave (MGS)

From: Davidson, Drew (OPO)
Sent: July-16-12 2:32 PM
To: Barton, Neala (OPO); Miller, Laura (OPO)
Subject: Duncan Press Conference

Hi Neala and Laura,

Here are some rough notes on Duncan's presser. There were a few more questions, but largely variations of the questions below.

Thanks!
Drew

Benzie - Are you concerned the deficit will be 180mn more than you previously expected it to be? Duncan - No. The cost of the gas plant is worked into the budget. Said paying for it will come from the tax base and not from ratepayers.

Jenkins - If it's worked into the budget then how long have you known about the costs of the gas plant? Duncan clarified that it was budgeted through contingency funds that are worked in for unexpected items like lawsuits.

Noel - Optics of the company being a Liberal donor? Duncan said that Greenfield also contributed to the Conservative campaign.

Noel followed up saying he had checked and the company had not given money to Conservatives in the last six years. Duncan said he would have to refer the question to his staff who could provide details.

Babbage - were you at the table when the decision about the cancelation happened? Duncan - No, but was kept in the loop.

Babbage - Was Don Guy was at the table? Not that I'm aware of

Jenkins - Is the cost of the land in Lambton included in the 180mn? Duncan said he would have to look into that and get him the answer later (Note: Noel was shaking his head no while this question was being asked)

Carter - Is it \$180 mn or \$190 mn? Duncan said it was \$180 mn with the extra \$10 mn from OPA

Benzie - Was this a campaign decision or a government decision? Bentley said campaign - what is it? Was a campaign promise that the government followed through on by ultimately making the final decision.

Douglas, Dave (MGS)

From: McCann, Wendy (OPO)
Sent: July-16-12 12:47 PM
To: Miller, Laura (OPO); Barton, Neala (OPO); O'Leary, John (OPO); Korbee, Leon (OPO)
Subject: RE: Also wanted to run this by your guy as well...

I'll do it.

From: Miller, Laura (OPO)
Sent: July-16-12 12:45 PM
To: McCann, Wendy (OPO); Barton, Neala (OPO); O'Leary, John (OPO); Korbee, Leon (OPO)
Subject: Re: Also wanted to run this by your guy as well...

Pls.

From: McCann, Wendy (OPO)
To: Barton, Neala (OPO); O'Leary, John (OPO); Miller, Laura (OPO); Korbee, Leon (OPO)
Sent: Mon Jul 16 12:42:04 2012
Subject: RE: Also wanted to run this by your guy as well...

We should share with Darcy in case Benzie asks DD.

From: Barton, Neala (OPO)
Sent: July-16-12 11:52 AM
To: O'Leary, John (OPO); McCann, Wendy (OPO); Miller, Laura (OPO); Korbee, Leon (OPO)
Subject: FW: Also wanted to run this by your guy as well...

FYI – see below.

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Sent: July-16-12 11:48 AM
To: Brodhead, John (OPO); Barton, Neala (OPO)
Subject: FW: Also wanted to run this by your guy as well...

From: Benzie, Robert [<mailto:RBenzie@thestar.ca>]
Sent: July-16-12 11:47 AM
To: Kett, Jennifer (ENERGY)
Subject: Also wanted to run this by your guy as well...

From an insider:

- (1) OPA paid EIG \$147 million (the minister only says \$88 million for EIG, never mentioned \$59 million EIG's principal which was drawn). Minister shall release the final settlement papers. The Payment made by OPA on last week of June.
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- (2) Greenfield paid \$90 million plus the land, \$75 million of equipment which OPA paid, greenfield to keep, \$12400/MW for new plant per month (capacity payment for 300 MW/ year equals \$44.6 million).
- (3) Full financial backing for the new plant. Free loan for 20 years. Minister only announced Lambton site, but that is to save them

from opposition, but OPA agreed on two sites in Lambton. Another site address is Lady Smith Road and highway 40. Farm bought by greenfield 3 weeks ago and agreed by Liberals to put a plant there.

Any help appreciated...
Cheers

Sent from my BlackBerry Wireless Handheld

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- (2) Eastern Power was paid \$10 million advance to suspend the construction, never mentioned by minister.
- (2) Greenfield paid \$90 million plus the land, \$75 million of equipment which OPA paid, greenfield to keep, \$12400/MW for new plant per month (capacity payment for 300 MW/ year equals \$44.6 million).
- (3) Full financial backing for the new plant. Free loan for 20 years. Minister only announced Lambton site, but that is to save them from opposition, but OPA agreed on two sites in Lambton. Another site address is Lady Smith Road and highway 40. Farm bought by greenfield 3 weeks ago and agreed by Liberals to put a plant there.

Any help appreciated...
Cheers

Sent from my BlackBerry Wireless Handheld

Douglas, Dave (MGS)

From: O'Leary, John (OPO)
Sent: July-16-12 10:09 AM
To: Miller, Laura (OPO)
Cc: Barton, Neala (OPO); Brodhead, John (OPO)
Subject: Donations

FYI...

John O'Leary

Manager, Legislative Issues
Office of the Premier of Ontario
P: 416-325-2141

Below please find donations from Eastern Power Ltd. to the PC Party of Ontario. Still working on Greenfields.

Name	Year	Party	Amount	Type
EASTERN POWER LTD.	2009	PCPO	\$912.72	Leadership Contestant Contest Period Return - Christine Elliott
EASTERN POWER LTD.	2007	PCPO	\$200.00	Central Party Campaign Period Return
EASTERN POWER LTD.	2003	PCPO	\$867.20	Constituency Annual Return - York North
EASTERN POWER LTD.	2001	PCPO	\$264.19	Constituency Annual Return - Kitchener-Waterloo
EASTERN POWER LTD.	2001	PCPO	\$135.00	Constituency Annual Return - Vaughan-King-Aurora
EASTERN POWER LTD.	2000	PCPO	\$250.00	Constituency Annual Return - Scarborough Southwest
EASTERN POWER LTD.	2001	PCPO	\$285.00	Constituency Annual Return - Stoney Creek
EASTERN POWER LTD.	2000	PCPO	\$405.00	Constituency Annual Return - Vaughan-King-Aurora
EASTERN POWER LTD.	2000	PCPO	\$517.08	Party Annual Return

TOTAL CONTRIBUTIONS: \$3,836.19

Douglas, Dave (MGS)

From: Brodhead, John (OPO)
Sent: July-16-12 10:02 AM
To: Miller, Laura (OPO)
Subject: RE: 2 pm Upload

ah thanks

do we want to update him on any of the priority areas to have him know we are thinking ahead - ie transit, social assistance review, senior strategy, etc?

maybe Vapour timing?

-----Original Message-----

From: Miller, Laura (OPO)
Sent: July 16, 2012 9:56 AM
To: Brodhead, John (OPO)
Subject: Re: 2 pm Upload

Electoral boundaries

----- Original Message -----

From: Brodhead, John (OPO)
To: Miller, Laura (OPO)
Sent: Mon Jul 16 09:52:48 2012
Subject: RE: 2 pm Upload

Redistribution?

-----Original Message-----

From: Miller, Laura (OPO)
Sent: July 16, 2012 9:49 AM
To: Brodhead, John (OPO)
Subject: 2 pm Upload

Let's coordinate our items onto one agenda for the meeting with the boss. My items include:

- Next Steps on Teachers
- KW
- Redford/Clark
- Redistribution

Douglas, Dave (MGS)

From: O'Leary, John (OPO)
Sent: July-16-12 8:28 AM
To: Miller, Laura (OPO); McCann, Wendy (OPO); Barton, Neala (OPO)
Subject: Re: Mississauga

Sure thing.

----- Original Message -----

From: Miller, Laura (OPO)
To: McCann, Wendy (OPO); Barton, Neala (OPO); O'Leary, John (OPO)
Sent: Mon Jul 16 07:59:52 2012
Subject: Re: Mississauga

John - can you do a scan for other parties? Thx.

----- Original Message -----

From: McCann, Wendy (OPO)
To: Barton, Neala (OPO); Miller, Laura (OPO); O'Leary, John (OPO)
Sent: Mon Jul 16 07:58:03 2012
Subject: RE: Mississauga

Christian Noël - SRC @cehenne

EnergyMin Bentley says he did not know, when he announced 180M\$ settlement, that Eastern Power was a liberal party donor. #OnPoli

-----Original Message-----

From: Barton, Neala (OPO)
Sent: July-16-12 7:44 AM
To: Miller, Laura (OPO); McCann, Wendy (OPO); O'Leary, John (OPO)
Subject: FW: Mississauga

FYI — wanted to make sure you are aware of Christian's request below. I'll loop back with Energy.

-----Original Message-----

From: Christian Noel [mailto:Christian.Noel@RADIO-CANADA.CA]
Sent: July-16-12 7:31 AM
To: christinemcm@mac.com; Kett, Jennifer (ENERGY); Barton, Neala (OPO)
Subject: Mississauga

Good morning.

I would like to get comments from the Liberal party and the McGuinty government re: Mississauga gas plant.

My stories broadcasted this am say:

2 companies that will be benefiting directly or indirectly from 180M\$ settlement are regular donor to the Liberal party. Since it is the liberal party that promised the cancellation (dixit Minister Bentley) I would like to hear Greg Sorbara on that please.

Also: The government is "asking" OPG to sell 12 acres of land to Eastern+Greenfield for only \$500,000. Why such a good deal for companies with no tract record in building a gas plant of this magnitude? Minister Bentley again maybe?

Thanks

~

Christian Noël

Reporter | Affaires provinciales

416-325-7937 | (c) 416-605-6303 | @cehenne

Douglas, Dave (MGS)

From: Phillips, David (GHLO)
Sent: July-16-12 8:04 AM
To: Miller, Laura (OPO)
Subject: Re:

Thought this was a call(?)

----- Original Message -----

From: Miller, Laura (OPO)
To: Korbee, Leon (OPO); McCann, Wendy (OPO); Barton, Neala (OPO); O'Leary, John (OPO); Brodhead, John (OPO); Phillips, David (GHLO)
Sent: Mon Jul 16 07:32:24 2012
Subject: Re:

Let's meet in 6401.

----- Original Message -----

From: Miller, Laura (OPO)
To: Korbee, Leon (OPO); McCann, Wendy (OPO); Barton, Neala (OPO); O'Leary, John (OPO); Brodhead, John (OPO); Phillips, David (GHLO)
Sent: Sun Jul 15 22:16:09 2012

Can we grab 15 minutes at 810 am to discuss Mississauga Gas Plant and Minister Duncan's avail svp?

Douglas, Dave (MGS)

From: MacKenzie, Rebecca (OPO)
Sent: July-13-12 5:12 PM
To: Miller, Laura (OPO)
Cc: O'Leary, John (OPO)
Subject: Spadina expressway
Attachments: Spadina expressway.docx

Hey Laura, attached is a one pager that details some of comparisons we could make between the cancellation of the Spadina Expressway and the gas plant. Please let me know if you have any additional questions. I also have a hard copy of Davis' speech announcing the cancellation that I can pass over to you.

Have a great weekend.

Rebecca

Spadina expressway/Gas plant comparisons

On June 3rd 1971 then Premier, Bill Davis, announced the cancellation of the Spadina Expressway (which also cancelled the network of freeways that were to follow). He bowed to the pressure of a growing price tag but more importantly growing opposition from Toronto area residents.

The cost of the cancellation was estimated at \$79M (or \$453M in today's dollars).

Davis' speech in the legislature emphasized that this was the right decision given public opposition and environmental concerns

The Liberal party under leader Robert Nixon was split on the issue but did not voice criticism of the decision in the legislature. Nixon did allow his critic to pose questions focused on what the replacement transportation policy would be. Both the NDP and Tories made a point of calling him out for having a divided caucus and not taking a stand on the issue.

That being said, as Premier David Peterson refused to entertain the notion of restarting the expressway project.

The NDP, under Stephen Lewis, were thrilled with the decision.

A couple of points which may be helpful:

- Metro Toronto was infuriated over the Provincial decision, they felt that they had been betrayed and were even considering suing for breach of the 1963 contract to build the expressway. Premier Davis went ahead with the decision anyway despite the threat of a lawsuit
- Despite a lengthy planning process (over 20 years) the project was still canceled
- Davis acknowledges in his speech that this was a very difficult decision but circumstances change over time.
- Davis also points to Government having a responsibility to do the right thing – that although the timing may have seemed late it was the right time to act

Some quotes from Hansard:

- "We are fully aware that our decision will represent not a judgement upon the past but a decision upon which policies for the future will be built." Davis, June 3rd

- "I am confident that if the people of the Toronto that we will know tomorrow were consulted, they would give overwhelming approval to the decision their government has taken today." – Davis, June 3rd

- "...We applaud enthusiastically the decision of the cabinet." – Stephen Lewis, June 3rd

- "He (Transportation Minister, Charles MacNaughton) has the capacity to recognize, as we have in this government, that circumstances lead to change" – Davis, June 3rd

- "I approved the decision. I approved the decision then and I do now" – Lewis, June 7th

Douglas, Dave (MGS)

From: Barton, Neala (OPO)
Sent: July-13-12 11:33 AM
To: Brodhead, John (OPO); O'Leary, John (OPO); Miller, Laura (OPO); Korbee, Leon (OPO)
Subject: Tuesday BPs

Hi to you all,

In terms of Tuesday, I was thinking of messaging along the following lines (the writers will need to make it magic) — but think you'll all have some very good ideas and feedback to provide:

Here at XXX — thrilled they were able to have me. They have created XX jobs since XX.

They're creating jobs and keeping our economy moving. That's exactly what Ontarians want us to do.

As a government, it's our job to listen to them...and make priorities based on what we hear.

That's why our election platform included a commitment to create a Southwestern Economic Development Fund. We followed through on that commitment and brought forward legislation shortly after we were re-elected.

We made a commitment to lower tuition by 30%. We know that families want to make sure their kids can benefit from affordable post-secondary education. We followed through. This fall, XXX students will benefit from the grant.

And last week, we followed through on another commitment....to relocate the Mississauga Gas plant.

It became clear that the people of Mississauga did not want this plant in their community.

So, along the Tories and the NDP, we made a commitment to move the plant if elected.

Leaders own their decisions.

So, I'm owning this one. It was the right thing to do.

As you know, the plant will be moving to Lambton. I'm glad that the local Conservative MPP welcomed the news. He knows it will create jobs in the area...

We listen to Ontarians.

They told us they want us to keep class sizes small and continue expanding FDK. So we're finding ways to do that by negotiating with our teachers.

Ontarians told us they wanted us to increase home care and provide more health care supports in our communities. So we're reforming our health care system to make that possible.

They told us they want us to create more jobs. So the Jobs and Prosperity Council will be meeting again next week to continue their important work.

We're going to keep listening as we move forward. That's what Ontarians expect.

Thanks,

Neala Barton

Press Secretary

Office of the Premier of Ontario

416.325.5231 (o) / 416.371.0583 (c)

Neala.Barton@ontario.ca

Douglas, Dave (MGS)

From: Clow, Brian <bclow@liberal.ola.org>
Sent: July-13-12 11:00 AM
To: Clow, Brian; Miller, Laura (OPO); Phillips, David (GHLO); O'Leary, John (OPO); Barton, Neala (OPO); Gene_Dave
Subject: RE: Tabuns Gas Plant Material

Update: Tabuns scrummed after Laurie Scott. Gas plant came up in both scrums. Transcripts to come.

From: Clow, Brian
Sent: July 13, 2012 10:51 AM
To: 'Miller, Laura (OPO)'; 'Phillips, David (GHLO)'; 'O'Leary, John (OPO)'; 'Barton, Neala (OPO)'; Gene_Dave
Subject: Tabuns Gas Plant Material

As discussed this morning, attached is a lit piece, quotes, and a screenshot from the March 2006 Toronto-Danforth by-election detailing Tabuns' opposition to the Portlands Energy Centre gas plant.

This could be good for Duncan's Monday avail. Tabuns would likely scrum at that avail.

Could also be walked around the gallery.

Douglas, Dave (MGS)

From: Clow, Brian <bclow@liberal.ola.org>
Sent: July-13-12 10:51 AM
To: Miller, Laura (OPO); Phillips, David (GHLO); O'Leary, John (OPO); Barton, Neala (OPO); Gene_Dave
Subject: Tabuns Gas Plant Material
Attachments: Tabuns Gas Plant Lit Piece - March 2006.pdf; Tabuns - 2006 Opposition to Toronto-Danforth Gas Plant - FOR HAND OUT.doc

As discussed this morning, attached is a lit piece, quotes, and a screenshot from the March 2006 Toronto-Danforth by-election detailing Tabuns' opposition to the Portlands Energy Centre gas plant.

This could be good for Duncan's Monday avail. Tabuns would likely scrum at that avail.

Could also be walked around the gallery.



**On March 30, send Dalton McGuinty a message.
Say YES to a clean waterfront and clean air.**

Elect

Peter

Tabuns  **NDP**

Standing up for our community, Standing up for Toronto-Danforth



Peter Tabuns Campaign
1478 Danforth Ave • 416-466-8412
www.petertabunsndp.ca

Authorized by the CFO for Peter Tabuns

"The big mystery is why the government approved a giant power plant designed to burn reckless amounts of increasingly expensive natural gas..., without committing a nickel for the sort of conservation programs that have proven so effective across the continent."

- John Barber, 'Globe and Mail', February 14, 2006

Let's protect our neighbourhood & clean up our waterfront.

The McGuinty government and Liberal candidate Ben Chin want to force a 550 megawatt power plant on our neighbourhood, at the bottom of Carlaw. Without warning, without consultation, and without considering alternatives.

Mayor of Toronto David Miller, MP Jack Layton, Deputy Mayor Sandra Bussin, Marilyn Churley, and Councillor Paula Fletcher all oppose the McGuinty plant. Most of your neighbours oppose the mega plant.

Toronto's former Medical Officer of Health, Dr Sheila Basrur, has warned that the Port Lands plan would be the largest producer of the air pollutants which result in cardio-respiratory admissions to hospital.

Citizen groups have proposed a range of positive options to keep the lights on - from more renewable energy to a focused conservation plan.

How can we make McGuinty listen?

By voting for Peter Tabuns & the NDP, that's how.

This by-election won't change the government. But voting for Peter Tabuns is the best way to send a strong message to the McGuinty Liberals -- we say NO to the Port Lands mega plant, and YES to energy conservation and a clean waterfront and clean air in our neighbourhood.

On March 30, elect PETER TABUNS as our MPP in Toronto-Danforth.

Because Toronto-Danforth deserves the best.

Peter Tabuns on the Portlands Energy Centre

In the March 2006 Toronto-Danforth by-election, Peter Tabuns advocated for a “political decision” to scuttle the Portlands Energy Centre gas plant proposed for Toronto’s Waterfront:

Tabuns vowed he won't be bound by the Liberal government's plans for his riding, which include constructing the natural gas-fired \$700-million, 550-megawatt Portlands Energy Centre at the unused R.L. Hearn station in partnership with TransCanada Energy Ltd. "This is going to be a political decision, but it needs someone who's going to be a champion for Toronto-Danforth," he said.

(Beaches/Riverdale Mirror, March 9, 2006)

“Dalton McGuinty should...stop trying to force a mega-plant on a community that doesn't want it.”

(Peter Tabuns, Press Release, March 16, 2006)

“I would say that with this plant, every step that's taken to push back against it will be helpful.”

(Peter Tabuns, Beaches/Riverdale Mirror, June 22, 2006)

“Peter knows – as most in the community recognize – the proposed mega-plant is bad for our community and the wrong answer to our energy needs. We all know the \$700 million being spent on McGuinty’s 550 megawatt gas plant could be spent far more effectively...”

(PeterTabunsNDP.ca, 2006 Toronto-Danforth By-election Website)

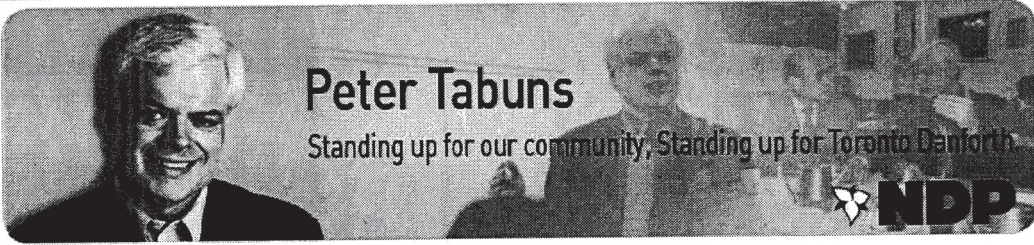
“I say that this mega plant is bad for our community and wrong for the waterfront. The people of this riding have rejected that mega power plant.”

(The Toronto Star, March 23, 2006)

Tabuns stuck to his opposition even after the deal was signed to construct the plant:

Although the final deal has been signed, local politicians say the fight to stop the Portlands Energy Centre (PEC) from being built on the city's waterfront is far from over. "It isn't over," NDP MPP Peter Tabuns (Toronto-Danforth) said of the announcement that the 550-megawatt power plant was given final approval Monday when Ontario Power Authority (OPA) signed a 20-year contract with Ontario Power Generation (OPG). "It's a bad step. (Dalton) McGuinty has not treated us well, but this isn't over."

(Beaches/Riverdale Mirror, September 21, 2006)



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Power plant opposition meeting



Packed meeting to discuss Portlands



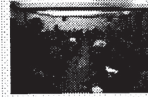
Standing room only



Green energy and conservation, not mega projects says Tabuns

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IMAGE GALLERY



Standing room only
See more photos of **Power plant opposition meeting**

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Douglas, Dave (MGS)

From: Brodhead, John (OPO)
Sent: July-13-12 10:44 AM
To: Miller, Laura (OPO)
Subject: Re: History Lesson

Yeah, will tell CO.

----- Original Message -----
From: Miller, Laura (OPO)
To: Brodhead, John (OPO)
Sent: Fri Jul 13 10:40:13 2012
Subject: RE: History Lesson

If someone wants to tell me when these are moving fwd, happy to attend :)

-----Original Message-----
From: Brodhead, John (OPO)
Sent: July-13-12 10:39 AM
To: Miller, Laura (OPO)
Subject: Re: History Lesson

Ok.

----- Original Message -----
From: Miller, Laura (OPO)
To: Brodhead, John (OPO)
Sent: Fri Jul 13 10:39:11 2012
Subject: RE: History Lesson

Sorry. Can't. Am booked up. On a call right now

-----Original Message-----
From: Brodhead, John (OPO)
Sent: July-13-12 10:39 AM
To: Miller, Laura (OPO)
Subject: Re: History Lesson

What?? you able to come to PW's boardroom now? We are holding on labour. Will find out why you are not on invite list.

----- Original Message -----
From: Miller, Laura (OPO)
To: Brodhead, John (OPO)
Sent: Fri Jul 13 10:37:42 2012

Subject: Re: History Lesson

Not invited.

----- Original Message -----
From: Brodhead, John (OPO)
To: Miller, Laura (OPO)
Sent: Fri Jul 13 10:37:01 2012
Subject: Re: History Lesson

Ahhh. You coming to secretary's briefing?

----- Original Message -----
From: Miller, Laura (OPO)
To: Brodhead, John (OPO)
Sent: Fri Jul 13 10:35:01 2012
Subject: Re: History Lesson

Gas plant.

----- Original Message -----
From: Brodhead, John (OPO)
To: Miller, Laura (OPO)
Sent: Fri Jul 13 10:34:19 2012
Subject: Re: History Lesson

Not sure I get ya here.

----- Original Message -----
From: Miller, Laura (OPO)
To: Teefy, Brian (OPO); O'Leary, John (OPO); Barton, Neala (OPO)
Cc: Brodhead, John (OPO)
Sent: Fri Jul 13 10:25:55 2012
Subject: History Lesson

In 1966, Metro Council approved an official plan that included an expressway component (Crosstown, Spadina, Gardiner, Don Valley).

In 1969, the Stop Spadina group, led by Jane Jacobs, was formed. By this point, the Spadina Expressway had reached Eglinton Avenue. It was less than half complete but ate up its entire \$79m budget.

In 1971, Premier Bill Davis rose in the Provincial Legislature and announced the cancellation of the Spadina Expressway:
"Cities were. Built for people and not cars... If we are building a transportation system to serve people, the Spadina Expressway is a good place to stop"

A number of parallels here.
How do we use it?

Douglas, Dave (MGS)

From: Don Guy <don.guy@live.com>
Sent: July-12-12 3:15 PM
To: Miller, Laura (OPO)
Subject: Re: UPDATED: July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

Folks need to be reminded tabuns was elected in a by-election pledging to cancel a gas plant in his riding please.
Sent wirelessly from my BlackBerry device on the Bell network.
Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: "Miller Laura (OPO)" <Laura.Miller@ontario.ca>
Date: Thu, 12 Jul 2012 18:33:42
To: <don.guy@live.com>
Subject: Fw: UPDATED: July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

From: Boudreau_Matthew <mboudreau@liberal.ola.org>
To: Boudreau_Matthew <mboudreau@liberal.ola.org>; Clow, Brian <bclow@liberal.ola.org>; Forgione, Andrew (ENERGY); Steel, Ed (MCI); Dunn, Ryan (ENERGY); Kett, Jennifer (ENERGY); McCann, Wendy (OPO); Miller, Laura (OPO); O'Connor_Sean; O'Leary, John (OPO); MacKenzie, Rebecca (OPO); Barton, Neala (OPO); Hammond, Bradley (OPO); Davidson, Drew (OPO); Balian, Taleen (OPO); Phillips, David (GHLO); Rook, Jennifer (GHLO); Spafford, Kevin (GHLO); Ashimi, Eddie (GHLO)
Cc: Gomez, Jorge <jgomez@liberal.ola.org>; Powers, Dylan <dpowers@liberal.ola.org>
Sent: Thu Jul 12 14:31:48 2012
Subject: UPDATED: July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

* Below please find the FULL transcript from this morning's availability, including portions translated from French.

July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

Media: Rath, Noel, Ferguson, Benzie, Jenkins, Cohn, Bliss

Tabuns:

- Thank you all for coming this morning
- I had an opportunity last night to go through the documents that Minister Bentley released in response to the demand from the Estimates Committee
- A number of you probably had a chance to look at them
- There are far more questions that come out of those documents than answers
- One thing is very clear:
- That this decision was based purely on politics, not on good public policy

- If you go through those documents you can see that even in September, a year before the cancellation, the government had questions about the utility of this project
- They could have cancelled it a year before the election
- Saved everyone an awful lot of money
- But, no, they went forward
- And then finally, when they were forced politically to act, they did
- And they stuck us with a big bill, \$180 million, to save a number of Liberal seats
- The government needs to come clean on this
- We need to know who made the decisions, what the basis was for making them

Benzie: Peter were you surprised that the, the, how highly sensitive or highly aware bureaucrats were about the Liberals - I mean we see election night emails talking about, you know, about this from bureaucrats. Were you surprised at the level of, I don't want to say political interference, but political involvement? The bureaucrats were aware of it.

Tabuns:

- Well, the bureaucrats were aware
- And the first e-mail was September 23, the day before the announcement made by Charles Sousa
- They understood that they were dealing with a highly political decision, no longer a technical decision
- I think that one of the things that's surprising in the document is how little we were given of what was really going on in the Minister of Energy's office
- If you read those documents as if, it's as if the Minister of Energy was never consulted
- And, frankly, possibly he wasn't
- Maybe it was just simply completely carried through by Don Guy or Mr. Sorbara or the Premier himself
- The bureaucrats, the people who were responsible for implementing public policy, seemed to have been dealt out of this whole decision making process

Benzie: Do you need to - I mean, for the complete picture, do you need to see emails, campaign emails, internal Liberal emails - which I don't think you can access, the committee can access-

Tabuns:

- Well, the committee can't access them but I actually think the Liberal Party of Ontario needs to, is required to, come clean with the people of Ontario
- And make it clear who made the political decision, the campaign decision, to throw away almost \$200 million in the middle of an election campaign

Jenkins: But, but why do, why does it matter? The only person who matters here is the person who ultimately is responsible for these decisions and his name is Dalton McGuinty, isn't it?

Tabuns:

Well-

Jenkins: What difference does it make which functionary of his recommended to him that he do this? He did it, didn't he?

Tabuns

- Well, Dalton McGuinty did do it
- But I think people in Ontario would like to know whether Don Guy is the actual Energy Minister or not

Ferguson: So do you think by, by not giving this information up right away they've, you know, the, the hunt is on, so to speak?

Tabuns

- Well, I think people are going to look for what is really going on here
- We've been given a whole blanket of paper to cover over this issue but we haven't been given the answers
- I think that people in Ontario do want to know - yes, the Premier was in charge - who was it who actually drove this?
- Was it one of the leaders of the election campaign, perhaps Don Guy, saying, "Look, you're going to lose these seats - make this decision?"
- You move energy planning in Ontario from any sort of analysis to straightforward electoral consideration

Ferguson: Do you figure it was more likely Don Guy because he's a pollster?

Tabuns:

- Um, I used a name because he's the most prominent one that I can think of in that party
- In that position at that time
- It could have been another person

Rath: Do you think the 180 million figure is legitimate?

Tabuns:

- I'm not sure
- I'm not sure
- We're continuing to look to see if there are any other costs that may have come up in other places
- And that's an open question

Rath: I mean, they've, they're going to - The 180, as far as I can tell, is what's going to, is what it's going to take to move the plant. Not dismantle the old plant that's there.

Tabuns:

- Um, well they-
- No, that's right
- There's going to be the cost of any demolition or foundations
- What we know is that \$180 million cost that Ontario is going to be stuck with
- Are there other costs that we may find as we go through the papers?
- We're continuing to look

Ferguson: So what do you think that - so now Greenfield South owns this land.

Tabuns:

- Yes

Ferguson: Um, they're probably going to be able to turn it into condos or something and make a pile of dough on that. Do you think that was figured in to this equation at all? Because they're not without that kind of resource here-

Noel: But it's on industrial land, though, right?

Tabuns:

- You can speculate to that end
- We don't have any material in the documents that were given to us
- We were given a very incomplete set of documentation on this whole process

(Side conversation during Tabuns's answer:

Noel: But it's on industrial land, though, right?

Benzie: Could be rezoned. It can be rezoned.

Noel: It could be rezoned but it's still, it's still zoned industrial. They would have to apply for changes. They won't even bother. No, I'm, I-)

Ferguson: Do you think that is a good question to ask, though?

Tabuns:

· I think it's a very good question to ask

(Translated from French)

Noel: Why?

Tabuns:

* Why?

Noel: Why?

Tabuns :

* Because it's a question of the price, of changes

* If Greenfield is making a lot of money from the location, from the site, then it's necessary to calculate the value of the site

Noel: And we can see the value of the site in the documents, it's five million dollars. Can Greenfield make money with that?

Tabuns:

* Well, it's possible, with developments

* It's possible to gain more than five million.

Noel : Why do you say that it goes up to the high echelons of the Liberals' electoral organisation?

Tabuns:

* Impossible (inaudible)

Noel: Why do you say that the directors of the Liberal campaign are the ones responsible?

Tabuns:

* Because the Minister of Energy said that it was the Liberal Party's decision

Noel: When the decision was taken, was the Minister of Energy aware?

Tabuns:

* It's not clear

* We don't have any documents on that question

* It's an open-ended question for everyone

Noel: Who could have taken that decision, and why do Ontarians have to know?

Tabuns:

- * Ontarians have to know because Ontarians have the bill for \$200 million
- * And when I buy something, I have to know where it came from, and the reason for the price

Noel: In the political aspect, in the (inaudible), we saw that the employees of the Minister of Energy were present the evening of the election in the offices of (inaudible) Mississauga?

Tabuns:

- * I'm not surprised
- * There's a partnership between the bureaucrats, and the politicians, in this situation
- * It's obvious

Noel: But why were they there, do you think? Because that was sensitive information. Why would they have been there? Because it's a folder, it went to the OPA, to the electoral office of Ontario, all the way to the Premier's office, and quickly. It got hard to say it was a political file, I imagine.

Tabuns:

- * The documents aren't clear for us
- * We think it's necessary to have communications between the Ministers and the Ontario Power Authority
- * And the relationships between the Ministers, the government, and the bureaucrats aren't clear

Noel: And the Party?

Tabuns:

- * The what?

Noel: And the party?

Tabuns:

- * And the party
- * It's not clear in these documents

Noel: So you'd like to see the Liberal Party's communications?

Tabuns:

- * The people of Ontario want to have-

- * Became one-off with Noel

From: Boudreau_Matthew

Sent: Thursday, July 12, 2012 12:01 PM

To: Clow, Brian; 'Forgione, Andrew (ENERGY)'; 'ed.steel@ontario.ca'; 'Dunn, Ryan (ENERGY)'; 'Jennifer.Kett@ontario.ca'; 'wendy.mccann@ontario.ca'; 'laura.miller@ontario.ca'; O'Connor_Sean; O'Leary, John (OPO); 'MacKenzie, Rebecca (OPO)'; 'Barton, Neala (OPO)'; 'bradley.hammond@ontario.ca'; 'drew.davidson@ontario.ca'; 'Balian, Taleen (OPO)'; 'Phillips, David (GHLO)'; 'jennifer.rook@ontario.ca'; 'Spafford, Kevin (GHLO)'; 'eddie.ashimi@ontario.ca'

Cc: Gomez, Jorge; Powers, Dylan; Boudreau_Matthew

Subject: July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

* Below please find a transcript of the English portion of MPP Tabuns's availability. The French is being translated and will be circulated when complete.

* Attached please find a copy of the release distributed at this morning's availability.

July 12, 2012 - Peter Tabuns Availability - Mississauga Gas Plant

Media: Rath, Noel, Ferguson, Benzie, Jenkins, Cohn, Bliss

Tabuns:

- Thank you all for coming this morning
- I had an opportunity last night to go through the documents that Minister Bentley released in response to the demand from the Estimates Committee
- A number of you probably had a chance to look at them
- There are far more questions that come out of those documents than answers
- One thing is very clear:
- That this decision was based purely on politics, not on good public policy
- If you go through those documents you can see that even in September, a year before the cancellation, the government had questions about the utility of this project
- They could have cancelled it a year before the election
- Saved everyone an awful lot of money
- But, no, they went forward
- And then finally, when they were forced politically to act, they did
- And they stuck us with a big bill, \$180 million, to save a number of Liberal seats
- The government needs to come clean on this
- We need to know who made the decisions, what the basis was for making them

Benzie: Peter were you surprised that the, the, how highly sensitive or highly aware bureaucrats were about the Liberals - I mean we see election night emails talking about, you know, about this from bureaucrats. Were you surprised at the level of, I don't want to say political interference, but political involvement? The bureaucrats were aware of it.

Tabuns:

- Well, the bureaucrats were aware
- And the first e-mail was September 23, the day before the announcement made by Charles Sousa
- They understood that they were dealing with a highly political decision, no longer a technical decision
- I think that one of the things that's surprising in the document is how little we were given of what was really going on in the Minister of Energy's office
- If you read those documents as if, it's as if the Minister of Energy was never consulted
- And, frankly, possibly he wasn't
- Maybe it was just simply completely carried through by Don Guy or Mr. Sorbara or the Premier himself

· The bureaucrats, the people who were responsible for implementing public policy, seemed to have been dealt out of this whole decision making process

Benzie: Do you need to - I mean, for the complete picture, do you need to see emails, campaign emails, internal Liberal emails - which I don't think you can access, the committee can access-

Tabuns:

- Well, the committee cant access them but I actually think the Liberal Party of Ontario needs to, is required to, come clean with the people of Ontario
- And make it clear who made the political decision, the campaign decision, to throw away almost \$200 million in the middle of an election campaign

Jenkins: But, but why do, why does it matter? The only person who matters here is the person who ultimately is responsible for these decisions and his name is Dalton McGuinty, isn't it?

Tabuns:

- Well-

Jenkins: What difference does it make which functionary of his recommended to him that he do this? He did it, didn't he?

Tabuns

- Well, Dalton McGuinty did do it
- But I think people in Ontario would like to know whether Don Guy is the actual Energy Minister or not

Ferguson: So do you think by, by not giving this information up right away they've, you know, the, the hunt is on, so to speak?

Tabuns

- Well, I think people are going to look for what is really going on here
- We've been given a whole blanket of paper to cover over this issue but we haven't been given the answers
- I think that people in Ontario do want to know - yes, the Premier was in charge - who was it who actually drove this?
- Was it one of the leaders of the election campaign, perhaps Don Guy, saying, "Look, you're going to lose these seats - make this decision?"
- You move energy planning in Ontario from any sort of analysis to straightforward electoral consideration

Ferguson: Do you figure it was more likely Don Guy because he's a pollster?

Tabuns:

- Um, I used a name because he's the most prominent one that I can think of in that party
- In that position at that time
- It could have been another person

Rath: Do you think the 180 million figure is legitimate?

Tabuns:

- I'm not sure
- I'm not sure
- We're continuing to look to see if there are any other costs that may have come up in other places
- And that's an open question

Rath: I mean, they've, they're going to - The 180, as far as I can tell, is what's going to, is what it's going to take to move the plant. Not dismantle the old plant that's there.

Tabuns:

- Um, well they-
- No, that's right
- There's going to be the cost of any demolition or foundations
- What we know is that \$180 million cost that Ontario is going to be stuck with
- Are there other costs that we may find as we go through the papers?
- We're continuing to look

Ferguson: So what do you think that - so now Greenfield South owns this land.

Tabuns:

- Yes

Ferguson: Um, they're probably going to be able to turn it into condos or something and make a pile of dough on that. Do you think that was figured in to this equation at all? Because they're not without that kind of resource here-

Noel: But it's on industrial land, though, right?

Tabuns:

- You can speculate to that end
- We don't have any material in the documents that were given to us
- We were given a very incomplete set of documentation on this whole process

** Side conversation during Tabuns's answer:

Noel: But it's on industrial land, though, right?

Benzie: Could be rezoned. It can be rezoned.

Noel: It could be rezoned but it's still, it's still zoned industrial. They would have to apply for changes. They won't even bother. No, I'm, I- **

Ferguson: Do you think that is a good question to ask, though?

Tabuns:

- I think it's a very good question to ask

* Remainder of scrum in French

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Douglas, Dave (MGS)

From: Don Guy <don.guy@live.com>
Sent: July-11-12 9:33 PM
To: chris.morley@rogers.com ; Miller, Laura (OPO); Gene_Dave
Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Anything more on Elliot Lake?

Sent wirelessly from my BlackBerry device on the Bell network.

Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: chris.morley@rogers.com
Date: Wed, 11 Jul 2012 19:22:42
To: <Laura.Miller@ontario.ca>; <don.guy@live.com>; <dgene@liberal.ola.org>
Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

We have anything in the hopper to change the channel on tv later this week or next?

Thinking back to how this was covered in September, it continues to be more of a electronic story. Was surprised (pleasantly) not to see big headlines this am, and tv may have trouble sustaining it into next week.

Sent wirelessly from my BlackBerry device on the Bell network.

Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: "Miller, Laura (OPO)" <Laura.Miller@ontario.ca>
Date: Tue, 10 Jul 2012 17:46:50
To: <don.guy@live.com>; Gene_Dave<dgene@liberal.ola.org>; <chris.morley@rogers.com>
Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Sorry yes.

I meant tomorrow is the next one.

----- Original Message -----

From: Don Guy <don.guy@live.com>
To: Miller, Laura (OPO); Gene_Dave; chris.morley@rogers.com <chris.morley@rogers.com>
Sent: Tue Jul 10 17:44:49 2012
Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Apparently it was May 9th.

Sent wirelessly from my BlackBerry device on the Bell network.

Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: "Miller Laura (OPO)" <Laura.Miller@ontario.ca>

Date: Tue, 10 Jul 2012 21:42:57

To: <don.guy@live.com>; <dgene@liberal.ola.org>; <chris.morley@rogers.com>

Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Nope. Just that one.

----- Original Message -----

From: Don Guy <don.guy@live.com>

To: Miller, Laura (OPO); Gene_Dave; chris.morley@rogers.com <chris.morley@rogers.com>

Sent: Tue Jul 10 17:41:28 2012

Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

So has he been at another committee?

Sent wirelessly from my BlackBerry device on the Bell network.

Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: "Miller Laura (OPO)" <Laura.Miller@ontario.ca>

Date: Tue, 10 Jul 2012 21:40:33

To: <don.guy@live.com>; <dgene@liberal.ola.org>; <chris.morley@rogers.com>

Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Estimates is tomorrow.

----- Original Message -----

From: Don Guy <don.guy@live.com>

To: Miller, Laura (OPO); Gene_Dave; chris.morley@rogers.com <chris.morley@rogers.com>

Sent: Tue Jul 10 17:29:39 2012

Subject: Re: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

Thanks. Apparently Estimates went poorly?

Sent wirelessly from my BlackBerry device on the Bell network.

Envoyé sans fil par mon terminal mobile BlackBerry sur le réseau de Bell.

-----Original Message-----

From: "Miller Laura (OPO)" <Laura.Miller@ontario.ca>

Date: Tue, 10 Jul 2012 21:16:23

To: <dgene@liberal.ola.org>; <don.guy@live.com>; <chris.morley@rogers.com>

Subject: Fw: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

----- Original Message -----

From: Snyder, Trevor (CAB)

To: @CAB-Media Event 1

Cc: Kovesfalvi, Sylvia (ENERGY)

Sent: Tue Jul 10 17:09:22 2012

Subject: Media Event: Minister Bentley on relocation of Greenfield South Power natural gas plant (July 10, 2012)

<<July 10 - Minister Bentley on relocation of natural gas power plant.doc>> <<July 10 - Minister Bentley on relocation of natural gas power plant.doc>> MEDIA EVENT: MINISTER BENTLEY ON RELOCATION OF GREENFIELD SOUTH POWER NATURAL GAS PLANT

July 10, 2012

Time / Location:

3:00 p.m. / Media Studio, Queen's Park

Speakers:

Chris Bentley, Minister of Energy

Media Attendance:

Print - NA

TV - NA

Radio - NA

Statement:

Minister Bentley: Good afternoon. Last September, we made a commitment - the McGuinty government made a commitment to the residents of Mississauga and Etobicoke that we would relocate the gas plant that was planned to be located there in Mississauga. We made that commitment after very strong advocacy from the residents of those communities. I have been asked a number of times since then for an update on the discussions that have occurred between the Ontario Power Authority and Greenfield South Power about the relocation. I'm pleased to provide that update today.

I'm pleased to advise you today that the Ontario Power Authority and Greenfield South Power have reached an agreement to relocate the gas plant to the Ontario Power Generation facility in Lambton - the Lambton generating facility. This 300 megawatt plant will be located there. It's a good fit. It takes advantage of existing transmission. It takes advantage of existing infrastructure, such as gas lines, which are close by. It takes advantage of the very skilled workers in that region. As you know, Sarnia-Lambton is an energy hub and has long been an energy hub, as long as -- not only generated electricity, but it has been the location of a number of refineries. It will enable us to take advantage of the skilled workers as well. This plant is expected to be operational by 2017.

The cost - the bottom line cost of relocating the Mississauga gas plant to Lambton is \$180 million. That cost takes into account the settlement of all proceedings involving EIG, the original financier of the Mississauga South project. It also takes into consideration expenditure of cost that cannot be reused or recovered in some other way. We have fulfilled the commitment we made to the residents of Mississauga and Etobicoke. We have, through the very hard work of the Ontario Power Authority and Greenfield South Power, found a resolution, a good site in a good location, so that the people of Ontario can benefit from the power that this facility will provide.

I want to thank not only the Ontario Power Authority and their team, but Mr. Greg Vogt and Greenfield South Power and their team for the very hard work that they have done in reaching this agreement. I want to thank Mr. Greg Vogt and his team for the good faith efforts that they have made over a significant period of time to come to this resolution to this agreement that is good for both parties. Thank you very much. I'll take questions.

Questions for Minister Bentley:

Q: So who's going to pay this? Is this going on hydro bills or is this coming out of the taxpayers?

The relocation costs are, as I say, approximately \$180 million. That discussion is still to be determined.

Q: What do you mean? You don't know who's going to pay, hydro payers or taxpayers?

The agreement was reached - concluded yesterday between the Ontario Power Authority and Greenfield South Power. I expect there will be discussion in the future about the allocation of those costs.

Q: Is \$180 million worth a Liberal seat?

All three parties made a commitment to relocate the gas plant. As soon as we -- as soon as we made the announcement about our intention to relocate the gas plant, it was followed very shortly thereafter by statements and commitments by both of the other parties that they would not have a gas plant on that site; so we would all have been in the same position with respect to the same issues. Those relocation costs are being incurred to locate the plant on a good site by transmission in an energy hub.

Q: Minister, you solved a political problem with the Saturday announcement - saving Charles Sousa's seat, saving Donna Cansfield's seat - but to Paul's point, you have not solved an energy problem. Putting the plant a four hours' drive away from Mississauga in Sarnia-Lambton is not going to address the energy needs. I gather there's something happening with Cambridge. Are you going to put - would the electricity that would have been generated here come to a place like Cambridge?

As you know, the Lambton site currently has a coal generating facility on it that -

Q: We're talking energy needs of --

We're getting out of coal, and so, this new gas facility will be able to take advantage of the transmission lines that will not otherwise be used for the coal-generated electricity. It is a good solution for the grid in the province of Ontario.

Q: (Inaudible) my question. Maybe I didn't -- maybe I phrased it awkwardly at this late hour. But my point is, where is the electricity that was going to be generated for that neighbourhood, for that community, where's that going to come from now? Is there something happening in Cambridge?

We will have enough electricity. We have enough electricity in the system now to meet the needs for the residents of Mississauga and Etobicoke. As you know, the grid is interconnected. The Ontario Power Authority is always looking to see whether other or future generating capacity is going to be located and going to be required. And they'll continue to do that and plan appropriately. That's what they and the IESO will do.

Q: Minister, can you in any way try to tell ratepayers or taxpayers, whoever is going to have to foot the bill for this, that we're getting value for money out of this?

We are getting a 300 megawatt plant. We are getting a plant that is needed by the system. It will be needed by 2017. We're getting it in a good location, in an energy hub, and it'll be close to transmission. It was clear -- it was clear to all that a gas plant in Mississauga was not going to proceed. The residents of that community in Etobicoke and surrounding had made that very clear, and the discussions that had taken place over a number of months have found a good resolution to that issue.

Q: So, basically - if I can follow up - did you guys -- are you willing to admit you made a mistake by siting that plant originally in Mississauga or that the OPA made a mistake by siting it there originally and it's a mistake that's now costing \$180 million?

Well, whatever the decision-making process originally and however good the decision, it became very clear in the months leading up to September that a gas plant in Mississauga was not the appropriate location. The residents were expressing themselves in a very strong way; so we took the decision and made the decision that was appropriate in the circumstances. A decision that, I might add, was concurred in and pursued by both of the other parties.

Q: So you deny that it was a political decision?

Well, we made the decision - we indicated in September and I've indicated consistently since then - we made the decision to relocate the plant and to work with Greenfield South Power because of the very strong objections of the

residents in Mississauga and Etobicoke. A position, I might add, that was concurred in both of the other parties. I assume and I believe that both of the other parties made their position (inaudible) for exactly the same reason.

Q: But Minister, as a Minister of the Crown and as a lawyer, when you get the same power plant for \$180 million more, how can that be a good deal?

There is no question that the cost of relocation is \$180 million.

Q: But how can that be a good deal?

Well, it is the cost of relocation. It's the cost of relocation. It was clear that the power plant, which was deemed to be required by the system in the (inaudible) was not going to proceed in Mississauga. It was clear that it was not going to proceed because of the community position in both Mississauga and the surrounding areas, such as Etobicoke.

Q: (Inaudible) looking into the community position before building it that this would not actually have happened?

You know, I don't have the benefit of the - I won't exercise the benefit of hindsight, which is always there. You will recall the situation in the early years of our mandate was one where the system had not enough power for its needs. We are in the fortunate position over the past several weeks - very, very hot temperatures - we've had enough power for the needs of the families and businesses in the province of Ontario. There has been a lot of work done. This plant is still required by the system. It will be up and running by 2017. It was appropriate to relocate it. That was our commitment. And the cost of relocation, as I've said - been very clear about that. There was a cost of re-location. It's \$180 million.

Q: (Inaudible).

The system needs the power and needs the capacity of the power, which is a plant that can ramp up and ramp down and be on demand as the location -

Q: (Inaudible) people of Sarnia on this?

The location that it is being put in, the location that it is being put on is one that has, for many decades, been used to generate power.

Q: Sorry, you said the mistake you made in the Mississauga, one of the mistakes you made is because you realized later that people were opposed to it. Did you consult with the people of Sarnia before making (inaudible)?

Well, as you know, Sarnia-Lambton is an energy hub. They have long on this site had electricity generation through coal. And there have been calls over quite a period of time now for a gas facility of some description to be located on that site.

Q. This boggles the mind for the average person who would never consider spending hundreds of millions of dollars without doing their homework first on whether the plants were needed or whether somebody wanted it. So this is almost \$200-million dollars in Mississauga gone, wasted. Oakville still has to be settled. Why should people trust or forgive your government for these incredible boondoggles?

You know, the decision that was made with respect to locating the plant in Mississauga would have a number of advantages. It was clear from the position of the residents of Mississauga and Etobicoke that that plant could not proceed. So we did make a commitment-

Q. (Inaudible) if somebody buys a house (inaudible) location, location, location. How do you absolve yourself?

What we did was we made a commitment, we listened to the residents, decided to relocate the plant and we've managed, through the good hard work of the Ontario Power Authority and the others, to relocate the plant.

Q. Minister, the question is when you listened to those people in Mississauga. Because when you decided to put it there, you didn't listen to them, you didn't seem to be bothered that much. In fact, you said it was necessary to go there because Mississauga's using so much power we have to put a plant there. It was only with the intervention of an election that you decided to listen to those people. And that's costing Ontarian taxpayers \$180 million dollars. How do you respond to that?

The residents were obviously expressing their views more forcefully as it became clear that a plant was going to be proceeding there. It has been planned. It had been contracted for some period of time. It started to be constructed, permitted, moved in earnest in 2011. It's not surprising that the views of the residents became more and more active.

Q. So you're saying you only decided to listen to the residents of Mississauga once you started building it?
That's not what I said.

Q. So why is it once you've started work that it's suddenly important to listen to what the residents are saying?
That's not what I said either.

Q. Well, then, explain to me again why, because the thing that seems to trigger it becoming clearer that this couldn't proceed was the election, was it not?

As I said, it became clearer over the months leading up to the September announcement that this plant could not proceed in the location. So the decision was made, expressed in September of 2011 to work to relocate the plant.

Q. I think what he's trying to say is that this government did not make any remarks that seemed to indicate it was prepared to move the plant until the election campaign. I remember there were remarks from the local MPPs that while they had concerns, the plant was necessary. So explain to us how it was that the government was considering this before an election campaign when you never made any remarks that seemed to indicate you were prepared to move the plant before that.

You know, I (inaudible) add too much to what I said. It became increasingly clear that the residents of Mississauga and Etobicoke were determined this plant not proceed at that particular location. We made the commitment in September of 2011 to work to relocate the plant, a commitment I might add that was joined in by the other parties.

Q. Minister, on a related subject, the Oakville plant which you guys cancelled to save two Liberal seats -- actually I guess Charles Sousa's seat was technically saved by the cancellation of that plant and this plant, so that's kind of a twofer. That was announced in October 2010. We still don't have a resolution on that. There was some information swirling around that I was told today that there's another piece to this deal on that front. Is that not the case? (Inaudible) another day you guys will come out and tell us.

You won't mind if I don't accept the question's premise. There are discussions going on with respect to the Oakville plant between the proponents and those discussions continue. And when I have more that I can say about that I'll be in a position to tell you.

Q. (Inaudible) to do with Nanticoke on that front; that you were going to do a similar kind of swap deal with TransCanada that you did with Greenfield. Is that the way that this is going? I mean, forgive me for my impertinence but it's starting to look like everything's been cobbled together on the back of an envelope.

As I said, those discussions have been going on for some period of time; they're continuing. I have nothing to report today. And when I have something more to report, I will.

Q: What happens to the physical (inaudible) that's there now? I mean, (inaudible) do you turn it into a splash pad or what's going to happen?

The site is controlled by Greenfield South Power. It will not have a gas plant electricity generating station on it.

Q. Included in that \$180 million you're saying it's going to cost, does that include the - you keep saying that that's the relocation costs.

Yes.

Q. Have you included in that the cost of getting the plant to the stage - the building so far in Mississauga as far as it got?

Yes.

Q. So how much of that was the \$180 million? How far down the road had the plant gone?

So, a great question. We provided the background which has a number of - an outline of those costs. There are on the background - maybe I could just take you through it because I know that there are a number of issues that sort of run together here. The \$180 million cost, the bottom line cost, consists of three baskets of costs. So there would be the Mississauga site-specific costs, the concrete, the labour, equipment that was purchased that can't be reused, design work that can't be reused, rental equipment storage, and the like. The second basket involves the early termination settlement with EIG, the financier of the project, and the cost is listed there: \$85 million for the site-specific cost; \$88 million for the early termination settlement with EIG, and the Mississauga site-specific cost that we're still getting the bills in -- they're estimated to be about \$7 million. And then just below, just so - I might anticipate your next question, there are some expenditures that have been made to date for equipment for design work that will be used in the new project. And those amounts are listed at the bottom: \$75.5 million for that equipment, and some of the design and engineering work that can be transferred over and used again.

Q. How much is it going to cost to build the plant now in Lambton? What will the cost be to build the plant? There's \$180 million in relocation which you've just accounted for. How much over and above that is it going to cost to build the plant in Lambton?

So the cost of building the plant is for the proponent, Greenfield South Power, just as the old cost was. The new contract price is for what they are guaranteed to receive every month by revenue. It's slightly lower than it was for the Mississauga site. It was 12,900 for the Mississauga site - 12.9 for the Mississauga site, and it's 12 for the Lambton site.

Q: So in this case you're paying \$180 million to move this gas plant away from people who don't want it near them. Meanwhile, your government still effectively has a rule that doesn't allow people to object to wind turbines in their municipalities. I'm wondering if you took note of the federal health minister's decision to do a study on wind turbines and if that will affect, in any way, Ontario's policy on those wind turbines?

Well, thank you for the question. I look forward to receiving the results of the Health Canada study. As you know we have paid a great deal of attention to health studies, not only in Canada but throughout the world in determining our approach to the siting of wind turbines. We have some of the strongest setbacks in the world. And we've taken the advice of the medical officer of health in Ontario, as well as studies around the world. I look forward to hearing more about the Health Canada study.

Q: (Inaudible) is going to change in Ontario until you hear from that.

We've reached our approach to clean renewable energy on the basis of the medical evidence that's available, and we've taken our guidance from that.

Q: Minister, it's still unclear. Do they get to keep the land (inaudible)?

Yes, that's theirs.

Q. That's their land. So if they want to build subdivisions or whatever, that's theirs to do with whatever they want.

Well, it's subject to --

Q. (Inaudible) hidden in the deal that isn't here that they get some kind of approvals for something else that may be less offensive to (inaudible)

The agreement specifies that there will not be a gas generating facility on that site. That's what it specifies.

Q. If they want to build an amusement park or a splash pad, to Randy's point --

I can't speak for the local planning (inaudible).

Q. So Minister, on the cost, can you clarify exactly how much money will be spent to build the once it's in (inaudible) Lambton generating station? Like, how much --

The contract - It's a good question. The cost of construction of a plant in these contracts is for the proponent. So a proponent that wants to construct a gas generating facility provides - they are responsible for their cost of construction. What they negotiate with the Ontario Power Authority is what's called a NRR, a net revenue requirement, that they get

for every megawatt of capacity - sorry for the long-winded answer - that they are going to generate. In this case, it is just under 300 megawatts of capacity. And they get that NRR every month that they are in operation of the contract (inaudible). That is arrived at through a whole series of negotiations. I'm not going to stand here and pretend to outline them. The NRR for the new plant here is slightly less than it was for the old plant, although there are all sorts of factors that go into that. All sorts of factors, including the fact that some of the equipment that's been purchased can be reused.

Q: How long is Greenfield's contract for this particular station?
It is, as I recall, a 20-year contract.

Q: Is this Lambton plant, is it for sure, for sure? Are you sure this is going to go through or what if people down there say they don't want it? We going to go through this process again?

As I say, there was a lot of hard work to come up with this agreement. The communities down there, the region down there, has long been an energy hub, and has long been calling - there have been many calls - for gas-generating facilities on that specific site.

Q: What are you going to do to address the power needs now though in Mississauga, Oakville? It's been identified by the IESO as a long-term concern, and now the two main sources are gone.

As you know, we have enough power to meet even the very significant demands of extreme weather that we've had over the past three or four weeks. And we'll continue to make sure that we have the power that we need in the future.

Q: That doesn't address the local needs to get the transmission in there. There are cities like Guelph and Cambridge that you can't electricity to [inaudible]

I think it's a really good question on a number of different levels. Over the past number of months, I have often been asked, "What about our power supply situation? Do we have too much?" As we've seen in the last four weeks, there are times when you need it, and you can't always predict. Ontario has had enough power to meet the needs of residents in the business in Mississauga, in Etobicoke, throughout the province of Ontario in extreme weather conditions. We will make sure that we continue to do that. Part of that is that not only do you have the generating capacity, but you have the wires to carry it. And when people talk about what goes into the cost of that they pay every month, part of the cost that we've seen is renewing the wires, 5,000 plus new kilometers of wire, providing that extra generation that over extreme weather periods like this you absolutely need. We have to plan and make sure we have for the extremes. We do. And, yes, I'm confident that we'll have enough in the future and we'll meet the needs.

Q: Minister, I know all that stuff. That was a nice lesson. That was great and love talking to you about the hydro file. But what are you doing specifically now for Mississauga and Oakville, when the IESO has identified them as problem areas for demand?

They plan every day. We've got sources of generation through-out the province of Ontario. As you know, over the past eight-to-ten years, we've moved to distributed generation in many different ways, and we'll continue to make sure we have the generation that Mississauga and Etobicoke require in the future, probably arrived at through different sources in different means. But that's why we are planning every day. I know you know this already.

Q: [Inaudible]

Yes, it does. I understand that on both sides of the border they've been withdrawn. Thank you very much.

Q: [inaudible] who else could possibly cover it?

The question, I think, was, are taxpayers or ratepayers going to be covering it? There is a cost of relocation. It's a \$180 million dollars. Thank you very much.

Q: [Inaudible]

It was concluded yesterday, so -thank you very much.

Q: [Inaudible]

We will let you know as soon as we have an update, just as we let you know today, less than 24 hours after the agreement was concluded - about 24 hours after it was concluded and the lawsuits were withdrawn. Thank you very much.

Prepared by:

Helen Cohen, Senior Media Analyst

Alan Herman, Issues Assistant

Evelyn Tchakarov, Media Analyst

Trevor Snyder, Senior Media Analyst, Team Leader

Douglas, Dave (MGS)

From: Barton, Neala (OPO)
Sent: July-11-12 8:33 PM
To: Miller, Laura (OPO)
Subject: Re: Transcript: Interview with Minister Bentley (CBC Radio: Here and Now)

Good! Because he couldn't be stopped. Wants to do it. That said, he has agreed that this is the end....

Will flip them the transcripts.

From: Miller, Laura (OPO)
To: Barton, Neala (OPO)
Sent: Wed Jul 11 20:15:56 2012
Subject: Fw: Transcript: Interview with Minister Bentley (CBC Radio: Here and Now)

I'm fine w him going on metro morning.

I think you should share the rationale from P's september transcripts. Incredibly impt to remember. 6 yrs ago there was no residential. Since 3 condos have popped up. We have rules that would have prohibited green wind turbines from going up so close to residential. Community made an impt point. We listened.

From: Snyder, Trevor (CAB)
To: @CAB-Trans PO; @CAB-Trans CO
Sent: Wed Jul 11 19:36:47 2012
Subject: Transcript: Interview with Minister Bentley (CBC Radio: Here and Now)

**As requested by Neala Barton

INTERVIEW WITH MINISTER BENTLEY

Date: July 11, 2012
Station: CBC (Here and Now)
Length: 5 minutes
Speaker(s): Chris Bentley, Minister of Energy

CBC: It appears the province is getting a gas-fired power plant after all, but it is going to cost all of us. The plant had been scheduled for Mississauga. But just before last October's election, the Liberals cancelled the plan after frantic lobbying by voters in that area. Now there is word that the plant will be built, but in the Sarnia area. The cost of this move: about \$180 million. Joining me now to explain how they went from point A to point B is Energy Minister Chris Bentley. Hello, Minister.

CHRIS BENTLEY, MINISTER OF ENERGY: Good afternoon.

CBC: Tell me first, what motivated the decision to move this plant to the Sarnia area?

MINISTER BENTLEY: We heard loud and clear from the residents of Mississauga-Etobicoke, that part of the GTA. It just wasn't going to be tenable to proceed with the electricity generating station at that site. We made a commitment during the campaign — same type of commitment, I might add, that both the Tories and the NDP made — that, if

elected, we would move or work to relocate the plant. And an agreement was reached to relocate the plant; concluded just this past Monday.

CBC: Well, if the people of Mississauga didn't want it in their backyard, so to speak, what makes you think the people of Sarnia will want it in theirs?

MINISTER BENTLEY: Well, we've already heard from some of the elected officials in that area. It is going to a site that has been used for electricity generation by a coal-fired plant for a long period of time, many decades. Sarnia-Lambton is an energy hub, as you probably know. Not only do they generate electricity through coal, they have a gas facility nearby. They're also the home of what is affectionately known as refinery row. So they're very much an energy hub. There is transmission nearby. There's a gas line nearby. So it is a very good site.

CBC: So it wasn't appropriate for the GTA, but is okay for the people in the Sarnia area?

MINISTER BENTLEY: Well, you know what? It's — one of the factors in locating gas generating stations is — one of the factors is, ideally, you like generation close to the load. It doesn't matter what we try to locate, what type of generation. There are always going to be some people who have some comments about it — and, likewise, with transmission. So one of the challenges is meeting the needs of areas while trying to locate generation and transmission. It was clear that, you know, the residents of Mississauga and Etobicoke were increasing their position that it should not proceed there. We made the commitment. We made it openly, clearly, campaigned on it, were elected on it, and we've proceeded to implement it.

CBC: You made that decision, I think, three days before the October 6th election, to say that the plant wouldn't be in Mississauga.

MINISTER BENTLEY: It was October the 24th. The Tories issued a press release making a similar commitment the same day and the NDP followed up with their comments at least within two days.

CBC: Okay, well, what do you say to your critics and people who are wondering whether that plant was cancelled just prior to the election or around election time to save the Liberal seats in the GTA?

MINISTER BENTLEY: Well, you know, we made it because we had listened to the increasing comments by the residents of Mississauga and Etobicoke. I'm assuming that the Tories and the NDP made their comment on a similar basis and not for any political gain. We made it openly and transparently. And like other campaign commitments, we campaigned on it.

CBC: \$180 million is the price tag. That's a lot of money for a government that is facing money problems.

MINISTER BENTLEY: It is a lot of money. There was always going to be a cost from the move; worked very hard to manage that cost; pleased that we were able to get a gas plant out of the agreement with the proponent in a location that is a good location. But there's no question. It is costly to relocate.

CBC: Is the \$180 million the total cost for the planning and paying of the move?

MINISTER BENTLEY: We can't — that's costs that can't be recovered otherwise. There were some costs for equipment that were incurred that can be used again. There was some of the planning and design work that can be used again. We were able to negotiate a contract that just on its face looks a little bit less expensive than the other one. I'm not saying it actually is when you take into consideration all the different factors. But it just has a slightly lower face price. But that \$180 million is costs that we cannot recover.

CBC: What do you say to those people who are wondering, was it all worth all this money?

MINISTER BENTLEY: Well, you know, it was pretty clear that the facility could not proceed at the site. In fact, all three parties reached that conclusion. And so once you've reached that conclusion, as all three parties do, then you have to decide what to do next. And there's no hiding that there will be cost to any decision you make to do next. Moving the facility was the one that was in the best interests of people. It obviously had a cost.

CBC: Have you —

MINISTER BENTLEY: Every decision would have had a cost much more.

CBC: Okay, Minister Bentley. We'll have to leave it there. Thank you.

MINISTER BENTLEY: Sure, thank you very much.

Douglas, Dave (MGS)

From: Livingston, David (OPO)
Sent: July-11-12 4:46 PM
To: Miller, Laura (OPO)
Subject: Fw: Energy minister isn't saying who made the decision to cancel gas plant..

Really?!

----- Original Message -----

From: Command News <fp.NEWS.DLIVINGSTON@commandnews.com>
To: Livingston, David (OPO)
Sent: Wed Jul 11 11:08:13 2012
Subject: Energy minister isn't saying who made the decision to cancel gas plant...

Profile: DLIVINGSTON / My Drawer / Ontario Political News - Clip 12 (limit 25) Jul 11 2012 11:08:00 - Source: CP [The Canadian Press]

Energy minister isn't saying who made the decision to cancel gas plant (Cancelled-Gas-Plant) TORONTO _ Energy Minister Chris Bentley isn't saying who made the decision to cancel a proposed gas plant in Mississauga just a few days before last year's election.

He says the announcement was made through a Liberal party press release, but couldn't say whether Premier Dalton McGuinty ultimately made the call.

Bentley's comments before a legislative committee came a day after he revealed that relocating the plant will cost \$180 million.

The NDP and the Conservatives have accused the Liberals of scrapping plans for the plants to save Liberal seats amid fierce opposition from local residents.

NDP energy critic Peter Tabuns say taxpayers deserve to know who made that call, since they'll be paying a hefty bill to save the Liberals' skin.

The opposition parties want Bentley to produce documents about the deal, as well as those related to the cancellation of a proposed gas plant in Oakville in 2010.

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Douglas, Dave (MGS)

From: Phillips, David (GHLO)
Sent: July-11-12 3:59 PM
To: Brodhead, John (OPO); Barton, Neala (OPO); Miller, Laura (OPO)
Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

Yes - name your program. They voted against it.

----- Original Message -----

From: Brodhead, John (OPO)
To: Phillips, David (GHLO); Barton, Neala (OPO); Miller, Laura (OPO)
Sent: Wed Jul 11 15:55:14 2012
Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

So PC's just voted to eliminate clean energy benefit and thereby increase people's electricity bills by 10%?

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From: Phillips, David (GHLO)
To: Barton, Neala (OPO); Brodhead, John (OPO); Miller, Laura (OPO)
Sent: Wed Jul 11 15:54:11 2012
Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

Bentley is done. Estimates passed (although note that the Tories voted to eliminate the Ministry of Energy's entire 1.007B budget... the ministry's Estimates only passed because Dippers abstained).

Binders of documents will be delivered to the clerk. MAG is getting us an opinion re solicitor-client privilege.

Dave

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From: Barton, Neala (OPO)
Sent: July-11-12 2:51 PM
To: Brodhead, John (OPO); Miller, Laura (OPO); Phillips, David (GHLO)
Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

Response: "duly noted" -- he says he'll consider a change.

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From: Barton, Neala (OPO)
To: Brodhead, John (OPO); Miller, Laura (OPO); Phillips, David (GHLO)
Sent: Wed Jul 11 14:32:34 2012
Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

On my way to see him.

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From: Brodhead, John (OPO)

Sent: July-11-12 2:24 PM

To: Barton, Neala (OPO); Miller, Laura (OPO); Phillips, David (GHLO)

Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

Are we going to correct this?

-----Original Message-----

From: Barton, Neala (OPO)

Sent: July 11, 2012 2:18 PM

To: Miller, Laura (OPO); Brodhead, John (OPO); Phillips, David (GHLO)

Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

FYI — Benzie's story....

Liberal campaign ordered Mississauga gas plant killed, Chris Bentley says Robert Benzie Queen's Park Bureau Chief

TARA WALTON/TORONTO STAR Ontario Energy Minister Chris Bentley says the Liberal re-election campaign, rather than the government, made the decision to kill a controversial Mississauga gas-fired power plant. The Liberal re-election campaign — not the government — made the controversial \$180 million decision to scrap a Mississauga gas-fired plant, admits Energy Minister Chris Bentley.

Testifying Wednesday at the legislature's estimates committee, Bentley emphasized that the announcement came in "a Liberal Party press release" — not from the ministry.

But the minister said he was not aware which senior Liberal campaign officials pushed for the cancellation in order to save Grit MPPs' seats in Mississauga and Etobicoke.

"I can't speak to that. I can speak to the fact it was a Liberal Party press release," Bentley said under grilling from NDP MPP Peter Tabuns (Toronto-Danforth).

"It was our intention that should we form the government to relocate the plant," the minister said, stressing he was not running the Energy department at the time.

"I became the minister in October of 2011 and proceeded to implement the commitment that we made, which was exactly the same commitment that your party made, which was exactly the same commitment as the NDP made," he told Progressive Conservative MPP Rob Leone (Cambridge).

Bentley noted because both the Tories and New Democrats also pledged to close the plant there would have been a cost to abandoning the Sherway Gardens-area plant.

"How ever the election had turned out all three parties were going to be in exactly the same position," he said.

His comments came one day after his hastily called news conference Tuesday revealed the government had reached a \$180 million deal to move the plant to the Ontario Power Generation's Lambton generating site near Sarnia.

Under the agreement, Greenfield South Power gets to keep the valuable land just northwest of Sherway plus \$85 million for construction materials, labour, engineering work, permits, and other costs.

EIG Management LLC, the U.S. hedge fund that financed the project and was suing the Ontario Power Authority in New York over the cancellation, receives \$88 million. All lawsuits have now been resolved.

There are also an additional \$7 million in site specific costs.

But \$75.5 million in gas turbines, transformers, and condensers as well as \$10 million in plant engineering and design work will be re-used at a new gas plant.

Tabuns, noting New Democrats opposed the construction of the plant that Bentley's Liberal predecessors backed, said the government has some explaining to do.

"We need to know, was it the Liberal campaign director who decided to cancel these plants? Was it the premier who decided to cancel these plants? Who do we hold responsible?" the NDP MPP said.

"This \$180 million seat-saver was a politically calculated move by the McGuinty Liberals to save Liberals seats," said Tabuns.

"When the Liberals make decisions about power plants in Ontario based on whether they're going to win or lose seats, people of this province end up paying more money for their electricity."

Progressive Conservative Leader Tim Hudak agreed the Liberals are "the only people to blame for this mess" regardless of the fact his party also opposed the natural gas plant.

"It reinforces the tragic bungling of the energy file that now we're going to have to pay \$180 million more to cancel a power plant," Hudak told reporters Wednesday at Queen's Park.

The plant was killed last Sept. 24 in a Saturday news event deliberately kept from political journalists covering the election campaign.

That was done by order of senior Liberals banking on less critical local media attention on the eve of the Oct. 6 election.

It was so closely held that not even Grit press aides on Premier Dalton McGuinty's campaign tour were advised of the move in advance.

Despite the political announcement, work continued on the facility well after the election, which could only have increased the cost of the eventual settlement.

It was, however, a successful electoral play — Liberal MPPs in Mississauga and Etobicoke, including Citizenship and Immigration Minister Charles Sousa, were re-elected Oct. 6.

Similarly, in October 2010, the Liberals aborted a controversial \$1.2 billion TransCanada Corp. gas plant in Oakville that helped Grit MPPs in that region.

Bentley said Wednesday that that matter remains outstanding.

Sources have told the Star it appears TransCanada could wind up with the contract to retrofit the massive Nanticoke coal-fired plant to natural gas and a new pipeline to fuel it as compensation for the Oakville matter.

-----Original Message-----

From: MacLennan, Craig (ENERGY)

Sent: July-11-12 1:59 PM

To: Miller, Laura (OPO); Brodhead, John (OPO); Phillips, David (GHLO)

Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)

Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

We also need to be clear. He "asked" them and they did so. He doesn't have the authority to "direct"...its why the letter was drafted saying "I am requesting that the opa commence discussions on...".

And why they responded "on behalf of the board of directors...the board clearly understands the governments intention to relocate...the purpose of this letter is to ensure that the gov'ts intention is met"..

So we 'asked' and they 'agreed to do so..'

----- Original Message -----

From: Miller, Laura (OPO)

To: MacLennan, Craig (ENERGY); Brodhead, John (OPO); Phillips, David (GHLO)

Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)

Sent: Wed Jul 11 13:54:22 2012

Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

He needs to constantly go back to this: 'As I said, I wrote to the OPA on October 24th asking them to relocate the gas plant.'

----- Original Message -----

From: MacLennan, Craig (ENERGY)

To: Miller, Laura (OPO); Brodhead, John (OPO); Phillips, David (GHLO)

Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)

Sent: Wed Jul 11 13:49:39 2012

Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

I was sworn in as Minister of Energy on October 20, 2012. On October 24, 2012, I wrote to the Ontario Power Authority. I recognized ongoing and long standing community opposition to the gas plant in Mississauga. I also recognized an October 12th resolution from the Council of the City of Mississauga asking the government to take immediate action to stop the construction, that by that time, was underway.

I said - as I have said all along - that the government has heard the community concerns about the plant proceeding as originally planned. I noted our intention to relocate the plant. I then asked the OPA to commence discussions with Greenfield South on a priority basis that would lead to a satisfactory resolution of the Mississauga site. As I announced yesterday, that resolution was reached on Monday.

During the campaign a commitment was made to relocate the Mississauga gas plant should the Liberal party be elected.

Following the election, as Minister of Energy, I asked the OPA to begin discussions with Greenfield South Power Corporation that would lead to a satisfactory resolution of the Mississauga site.

In response to this, the OPA worked to begin negotiations with Greenfield.

Those negotiations continued for many months, and an agreement to relocate the gas plant was signed on Monday, July 9, 2012.

-----Original Message-----

From: Miller, Laura (OPO)

Sent: July 11, 2012 1:30 PM

To: Brodhead, John (OPO); MacLennan, Craig (ENERGY); Phillips, David (GHLO)

Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)

Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

We also need to pivot to the fact that the opposition said it would cost a billion to settle at the time. That's what taxpayers wouldve paid under a govt managed by either of party. 180m is 20% of that.

----- Original Message -----

From: Brodhead, John (OPO)
To: Miller, Laura (OPO); MacLennan, Craig (ENERGY); Phillips, David (GHLO)
Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)
Sent: Wed Jul 11 13:25:43 2012
Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

Just spoke with Craig. He is aware.

-----Original Message-----

From: Miller, Laura (OPO)
Sent: July 11, 2012 1:24 PM
To: Brodhead, John (OPO); MacLennan, Craig (ENERGY); Phillips, David (GHLO)
Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)
Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

Understand we now have details on what shook down. He needs to communicate and own it. Thx.

----- Original Message -----

From: Miller, Laura (OPO)
To: Brodhead, John (OPO); MacLennan, Craig (ENERGY); Phillips, David (GHLO)
Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)
Sent: Wed Jul 11 13:08:53 2012
Subject: RE: Energy minister isn't saying who made the decision to cancel gas plant...

Folks - I would imagine that there was some discussion in government after the October 6th election. That is where this decision would have ultimately been made. Can we determine if this was a Cabinet or Treasury Board conversation and move this discussion off of the party and over to government? Governments make the decisions here not OLP Platforms or Press Releases. Thanks.

-----Original Message-----

From: Command News [mailto:fp.NEWS.MILLERL@commandnews.com]
Sent: July-11-12 1:05 PM
To: Miller, Laura (OPO)
Subject: Energy minister isn't saying who made the decision to cancel gas plant...

Profile: MILLERL / My Drawer / Ontario Political News - Clip 6 (limit 25) Jul 11 2012 13:04:00 - Source: CP [The Canadian Press]

Energy minister isn't saying who made the decision to cancel gas plant (Cancelled-Gas-Plant) By Maria Babbage

THE CANADIAN PRESS

TORONTO _ Energy Minister Chris Bentley was at a loss Wednesday to say who made the decision to cancel a proposed gas plant in Mississauga just a few days before last year's election, a move that will cost the cash-strapped province \$180 million.

Bentley said the announcement was made through a Liberal party press release, but couldn't clear up whether it was the party or Premier Dalton McGuinty who ultimately made the call.

He was only appointed energy minister after the election, he told a legislative committee.

"I wasn't part of that decision," he said.

"I can't answer that. I wasn't there, I wasn't part of it."

Bentley's comments came a day after he revealed the price of relocating the 300-megawatt plant to an existing coal-fired station close to Sarnia. But the minister couldn't say whether taxpayers are on the hook for the move or whether the cost will show up on hydro bills.

The province is facing a \$15-billion deficit this year and isn't expected to emerge from the red ink until 2017.

Both opposition parties have accused the Liberals of scrapping plans for the Mississauga plant _ and another in Oakville in 2010 _ in a cynical move to save seats amid fierce protest by local residents.

Taxpayers deserve to know who made the decision, whether it was the Liberal campaign director or the premier, said NDP energy critic Peter Tabuns.

"Frankly, we've been stuck with a \$180-million bill and we should now know who is responsible for doing that," he said.

"People will be paying more for their electricity so that the Liberals could save a number of seats in the last election."

Bentley insisted that the government only had a change of heart after listening to the strong objections of local residents.

He also pointed out that both opposition parties also promised to scrap the plant during the election and wouldn't have been able to get a cheaper deal.

Tory Leader Tim Hudak, who promised to get rid of the plant the day before the election, said it should have never been built in the first place.

But he couldn't say whether he could have struck a better deal if his party had won the Oct. 6 election.

"You can't accuse me of holding the shovel that dug that hole in the first place," he said.

"That was their decision, that was the wrong decision and now taxpayers are on the hook as a consequence."

The opposition parties want Bentley to produce documents about the deal, as well as those related to the cancellation of a proposed gas plant in Oakville in 2010. The minister has rejected the demand, citing solicitor-client privilege.

Tabuns said he believes the documents will show that the party made the call because they believed they would lose those seats, not because they'd analyzed the area's power needs or the impact of the plant on the surrounding communities.

Governments and parties can make promises during election campaigns and follow through with them, he said.

"What's broken here is that cancelling a plant in the middle of an election, incurring a \$180 million cost for a seat-saver is indefensible," he said.

“It may be legal, but it's certainly distasteful and wrong _ epically wrong.”

The Conservatives said the final cost of relocating the plant will actually be much higher than Bentley claims, because a brand new plant will have to be built at the new location in a Tory riding.

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"It was our intention that should we form the government to relocate the plant," the minister said, stressing he was not running the Energy department at the time.

"I became the minister in October of 2011 and proceeded to implement the commitment that we made, which was exactly the same commitment that your party made, which was exactly the same commitment as the NDP made," he told Progressive Conservative MPP Rob Leone (Cambridge).

Bentley noted because both the Tories and New Democrats also pledged to close the plant there would have been a cost to abandoning the Sherway Gardens-area plant.

"How ever the election had turned out all three parties were going to be in exactly the same position," he said.

His comments came one day after his hastily called news conference Tuesday revealed the government had reached a \$180 million deal to move the plant to the Ontario Power Generation's Lambton generating site near Sarnia.

Under the agreement, Greenfield South Power gets to keep the valuable land just northwest of Sherway plus \$85 million for construction materials, labour, engineering work, permits, and other costs.

EIG Management LLC, the U.S. hedge fund that financed the project and was suing the Ontario Power Authority in New York over the cancellation, receives \$88 million. All lawsuits have now been resolved.

There are also an additional \$7 million in site specific costs.

But \$75.5 million in gas turbines, transformers, and condensers as well as \$10 million in plant engineering and design work will be re-used at a new gas plant.

Tabuns, noting New Democrats opposed the construction of the plant that Bentley's Liberal predecessors backed, said the government has some explaining to do.

"We need to know, was it the Liberal campaign director who decided to cancel these plants? Was it the premier who decided to cancel these plants? Who do we hold responsible?" the NDP MPP said.

"This \$180 million seat-saver was a politically calculated move by the McGuinty Liberals to save Liberal seats," said Tabuns.

"When the Liberals make decisions about power plants in Ontario based on whether they're going to win or lose seats, people of this province end up paying more money for their electricity."

Progressive Conservative Leader Tim Hudak agreed the Liberals are "the only people to blame for this mess" regardless of the fact his party also opposed the natural gas plant.

"It reinforces the tragic bungling of the energy file that now we're going to have to pay \$180 million more to cancel a power plant," Hudak told reporters Wednesday at Queen's Park.

The plant was killed last Sept. 24 in a Saturday news event deliberately kept from political journalists covering the election campaign.

That was done by order of senior Liberals banking on less critical local media attention on the eve of the Oct. 6 election.

It was so closely held that not even Grit press aides on Premier Dalton McGuinty's campaign tour were advised of the move in advance.

Despite the political announcement, work continued on the facility well after the election, which could only have increased the cost of the eventual settlement.

It was, however, a successful electoral play — Liberal MPPs in Mississauga and Etobicoke, including Citizenship and Immigration Minister Charles Sousa, were re-elected Oct. 6.

Similarly, in October 2010, the Liberals aborted a controversial \$1.2 billion TransCanada Corp. gas plant in Oakville that helped Grit MPPs in that region.

Bentley said Wednesday that that matter remains outstanding.

Sources have told the Star it appears TransCanada could wind up with the contract to retrofit the massive Nanticoke coal-fired plant to natural gas and a new pipeline to fuel it as compensation for the Oakville matter.

-----Original Message-----

From: MacLennan, Craig (ENERGY)

Sent: July-11-12 1:59 PM

To: Miller, Laura (OPO); Brodhead, John (OPO); Phillips, David (GHLO)

Cc: Barton, Neala (OPO); Kett, Jennifer (ENERGY)

Subject: Re: Energy minister isn't saying who made the decision to cancel gas plant...

We also need to be clear. He "asked" them and they did so. He doesn't have the authority to "direct" ...its why the letter was drafted saying "I am requesting that the opa commence discussions on..."

And why they responded "on behalf of the board of directors...the board clearly understands the governments intention to relocate...the purpose of this letter is to ensure that the gov'ts intention is met" ..

So we 'asked' and they 'agreed to do so..'